

F Supreme U.S.
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OCT 31 1978

MICHAEL RODAK, JR., CLERK

APPENDIX

Volume II
Pages 555a to 765a

IN THE

Supreme Court of the United States
OCTOBER TERM, 1977

No. 77-654

THE GREAT ATLANTIC & PACIFIC TEA
COMPANY, INC.,

Petitioner,

—against—

FEDERAL TRADE COMMISSION,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE SECOND CIRCUIT

PETITION FOR CERTIORARI FILED NOVEMBER 7, 1977
CERTIORARI GRANTED MARCH 20, 1978

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Dickie's Copy Street Harry
② Copy to Peetz

② Copies to HRF

The Melone

Mr. George

Dickie's Copy Street
St. Louis December

December 28, 1964.

Mr. Harry L. Archer, Exec. Vice Pres.
The Borden Company
350 Madison Avenue
New York, New York 10017.

Dear Harry:

I don't want to go into any detail concerning the recent many discussions and study sessions we have engaged in out here to put together a revised A & P quotation for the Chicago-Calumet Area. Suffice to say, we do have some new figures for you and, though we have not yet concluded that such a change can be made without creating a market upheaval, we know we will have to live with whatever happens - wrestling with the new problems as they develop.

Basically, after having talked with our folks in New York, Houston and Columbus, we have arbitrarily changed our approach of a 1/2¢ per point differential to a 1¢ per point differential between Private Label and Borden Brand for six only basic items.

This restriction to six items is extremely important to this whole consideration. Our records confirm that these six items represent approximately 70% of A & P's total volume. From our standpoint, primarily focusing on our cost problem, the restriction to six items protects plant efficiency to a considerable extent, as well as distribution material handling. Our whole woodstock approach was on the basis of palletization, as you know, and involvement of private labels for a number of customers on unlimited items, clearly will seriously dilute the efficiencies we anticipated.

We have more or less justified in our own minds this move to 1¢ by this limitation to main items only to be offered under private label. We believe this is important to A & P and other

Mr. Harry L. Archer

- 2 -

December 28, 1964.

big customers, also. Many recent studies of the food chain business emphasize the efficiencies to be achieved through acceptance of palletized deliveries at the store level.

Attached is Sheet #1 headed "The Borden Company, Chicago-Calumet Area, Net Selling Price Quotation to A & P." This listing shows the net cost to A & P of Borden Label and A & P Label for the six major items. All other by-products would remain as they are today.

Again, it must be remembered that these six items represent approximately 70% of A & P's volume.

As with our first quotation, so your information will be complete, we are attaching two additional schedules, which detail our Milk cost and the price adjustment formula we would follow.

Just a couple of additional points, Harry. We have said all of this before many times, but, we do hope A & P will price this private label and the advertised brand the same, certainly to begin with. If private label out-of-store is dropped to reflect this 1¢ per point, this market will rock immediately, we think. We believe such a move on their part would destroy the present price level for advertised brands and would add explosive fuel to a war over the differential question. We know some competitors will be strongly exposed to a difference in price for a private label. One big decision we have to make has to do with how low we will go to force acceptance of a differential. We folded up in Wisconsin because of a "no sales below cost" stipulation in the Wisconsin Law. We have no such "out" in Illinois.

This is not exclusively a matter in our interest. We believe retailers' margins would eventually get caught in whatever upheaval takes place. With such a move on A & P, part - instead of an improvement in their overall margin, one point I am making is that their dairy department spread could collapse. If that should happen, they will not have gained anything by bringing in private label and, certainly, we will have been knocked to our knees.

Again, repeating myself, in Chicago we cannot yet bring into play any important modification of delivery to reduce our costs.

Mr. Harry L. Archer

- 3 -

December 28, 1964.

We are still frozen to a six day delivery, with a base pay and commission rate which results in a driver wage cost of approximately \$7.29 per hour. This prevents, obviously, the kind of distribution economics which, for example, are a part of the Wisconsin pricing structure and we hope Mr. Smith will give this due weight. In both Columbus, Ohio and Houston, Texas (two places he specifically referred to when you and he were discussing our preliminary Chicago quotation) greatly modified delivery systems are in existence.

Of course, Harry, absolutely basic to all this is our dependence on continuing to supply this account. I am extremely conscious of the difficult situation confronting you. We don't want this business to go up for grabs, naturally, and we do hope that this revision will prove satisfactory. We are encouraged to feel it should because of our talk with Ed Brennan and Dave Patterson, particularly. In New York, the differential between private label and advertiser brands is 1 1/4¢ per point. In Columbus, it is 3/4¢ per point. Both of these were accepted by Mr. Smith. Actually, our 1¢ is midway between these two. We know this change from 1/2¢ will affect us in Central-Illinois and Iowa too, but we see no other course to follow.

We will be anxious to hear from you. Perhaps all further consideration of this can be held over until your return (Jack told me you would be away for a couple of weeks.) I think that would be good in view of Mr. Smith's position of control.

Many thanks to you.

Cordially,

RWM:lb
attach.
cc Mr. J. B. Pentz.

Ralph R. Minklor.

5562

Mr. Harry L. Krzyer
The Borden Company
Central Division
1021 N. Pulaski Avenue
Chicago, Illinois 60623



AMERICAN BANKER

December 28, 1964.

Mr. Harry L. Krzyer, Vice Pres.
The Borden Company
350 Madison Avenue
New York, New York 10017.

Dear Harry:

I don't want to go into any detail concerning the recent many discussions and strategy meetings we have engaged in one lead to the together a revised 7 1/2% credit limit on our Chicago-Chicago area. Decided to stay to 6% since you figures for you and enough has been concluded since such a change can be made without crossing a market up/down, we know we will have to live with whatever happens - interesting with the new problems as they develop.

Practically, after having talked with our folks in New York, Housecar and Cluthus, we have mutually agreed our new approach of a 1 1/2% per point differential to a 1 1/2 per point differential between private label and house brand for all only house items.

This restriction to six items is extremely important to this whole consideration. Our records confirm that these six items represent approximately 70% of a 2 1/2 total volume. From our standpoint, primarily focusing on our cost problems, the restriction to six items protects plant efficiency and leads to a considerable credit, as you know, and involvement of private label handling. Our whole livestock approach was on the basis of limitation, as you know, and a number of customers on unlimited items, clearly will seriously dilute the efficiency we anticipated.

We have more or less justified in our own minds this move to 1 1/2% credit limit due to retain it and only to be forced under private label. We believe this to be a good order

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Mr. Harry L. Fischer

- 2 -

December 28, 1954.

big customers, also. Many recent studies of the food chain business emphasize the importance of efficiency to be achieved through economies of centralized deliveries at the store level.

Attached is chart of Nondairy Milk Company Cost-Center-Chart prepared for Soltant Service Corporation to A & P. This listing shows the cost of a quart of Soltan Milk and A & P Milk for the six major items. All other by-products would generate as they are listed.

Relative to milk to restaurants this time frame represents approximately 7/25 of A & P's volume.

As with our first iteration, no soon implementation will be complete, we are estimating two additional efficiencies which detail our initial cost and the price adjustments formula we would follow.

June n couple of additional points, Harry. We have established all of these figures on my original basis, we do have it in private hands that private label and the service companies currently to return when. If private label continues to increase to reflect this 16 per point, this might well be necessary, we would no longer such a move on those changes would clearly be necessary to go with new label basis. This may compensate to a difference in price since a private label basis and would easily be able to take price. With such a move on A & P's part - 12 in this second phase of the change, we could then bring up in the discussion later. We know it much more in alignment.

This is not exclusively a matter in our interest. The Yolilova franchise margin would certainly see caught in there are unheavily taken prices. With such a move on A & P's part - instead of an increase in their overall margin, and point to the market to a point their dairy department spread could collapse. In private label end, certainly, we will have been exposed to the market.

Again, regarding private label, if we can't we cannot you have to into many different ways to do this, we have to come to a conclusion to make it work.

CX7E

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We will be anxious to have news from you. We hope all will be well until your return (which we trust will be early for a course of visits.) I think that would be good in view of the change in condition of control.

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The Borden CompanyChesapeake AreaNot postage or return charges included Surchage Pool Charge 1% above of ext. price.Selected Notes from Enclosed Survey Pool Charge 1% above of ext. price.

<u>Borden Label</u>	<u>Previous Label</u>
Home V D 140 - Cal. Paper	\$.2371
Home V D 222 - 1/2 Cal. Paper	.3635
Home V D 244 - Quart Paper	.1391
2% - 1/2 Cal. Paper	.2453
Vitamin Fortified Creme - 1/2 Cal.	.3453
Half and Half - 1/2	.2924

Delivery shall be as follows:

1. On 6 day delivery per week which ends 11:59 delivery per case per day.
2. Cross-door deliveries - no house-to-house service.
3. No special deliveries.
4. No returns, except products inferior in quality and packaging.
5. No time of delivery.

CX76

December 22, 1964

562

EXCOMMUNICATED FROM RAY PETERSCHICAGO-CAMPAIGN AREAPer Hundred Pounds

Announced Class I Sugar Pool
Price - 3.56 B.M.

District Administrator's Fee
Charge 1%

Charge 1%
Procurement, Field Service, Association
Fees, Other Commissions, Interest
Delivery, Remittance, etc.

Total Cost of 3.56 B.M.
F.C.B. Charge

To 3.65 B.M. Standard Product

Cost of 3.65 Standard Product

Total Cost of 3.65 Standard Product
2.15 pounds x \$3.65 per cwt. = \$ 6.9755
2.20 Cents 4.20 pounds x \$3.65 per cwt. = \$ 6.1922
Cents 6.63 pounds x \$3.65 per cwt. = \$ 23.74

CX74

CHICAGO-CHICAGO AREAPrice Changes Per Unit

(Related to the Present Announced Super Pool Class I Price of \$4.20 per Cwt.)

Increase or Decrease in Price
Per Unit

<u>Increase or Decrease in Price Per Unit</u>	<u>For Cents</u>	<u>For \$</u>	<u>For Cents</u>	<u>For \$</u>
•01	•0002	•0004	•0024	•0003
•02	•0004	•0008	•0016	•0005
•03	•0007	•0014	•0021	•0007
•04	•0009	•0018	•0027	•0009
•05	•0010	•0020	•0030	•0010
•06	•0012	•0024	•0036	•0012
•07	•0013	•0026	•0039	•0013
•08	•0015	•0030	•0045	•0015
•09	•0017	•0034	•0051	•0017
•10	•0019	•0038	•0057	•0019
•11	•0021	•0042	•0063	•0021
•12	•0023	•0046	•0069	•0023
•13	•0025	•0050	•0075	•0025
•14	•0027	•0054	•0081	•0027
•15	•0030	•0060	•0090	•0030
•16	•0032	•0066	•0096	•0032
•17	•0035	•0070	•0100	•0035
•18	•0037	•0074	•0107	•0037
•19	•0039	•0078	•0115	•0039
•20	•0041	•0082	•0121	•0041
•21	•0043	•0086	•0127	•0043
•22	•0045	•0090	•0130	•0045
•23	•0048	•0096	•0136	•0048
•24	•0050	•0100	•0140	•0050
•25	•0054	•0106	•0146	•0054

CX7T

CXT

ପ୍ରକାଶନ କମିଶନ ଓ ପ୍ରକାଶକ ପତ୍ର ଏବଂ ପ୍ରକାଶନ କମିଶନ

THE HISTORY OF THE CIVIL WAR IN AMERICA

• 333 •

ପ୍ରକାଶକ ପତ୍ର ଏବଂ ମହିନେର ପରିଚୟ

અને એવી વિષયોની બાબતે કોઈ વિશેષ જગત્કાળ નથી.

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בְּרִית מָשֶׁה וְעֵדוֹת

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Consequently, the author's statement that "the English language is the best language in the world" is misleading.

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CONCLUDING REMARKS 229

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BIOLOGY - ANNUAL EXAMINATION PAPER 2013

CITY PLANNING IN CHINA

سیاست و اقتصاد اسلامی

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serve the A & P account in the most efficient manner employing modern methods of production, distribution and account billing and record keeping which should accrue to the best interest of the A & P account.

The Hoodstock plant is the most modern plant in the world. Every facet of automation available is employed in its operation. The distribution process also is directly linked to the automated plant process through a new distribution point constructed at O'Hare which employs the use of palletized loads, which have been found in food store studies to be the fastest means of moving large quantities of products. In the field of account billing and record keeping, I. B. M. computers will quickly furnish the data required in a manner that should keep the retailer's internal cost in this area at a minimum. While all these elements do not directly show up in retailers cost area they are bound to be a most important fact in the store level cost of receiving deliveries.

No other dealer in the Chicago market is so equipped.

CX7K

566a

75/20

		St. Louis, Mo.		Schedule No. 1	
		Estimated Expenses		Estimated Payroll - Actual Cost Project	
		Estimated Amount in \$'000's	Actual Amount in \$'000's		
Raw Materials & Purchasing Costs	\$ 100,000	\$ 101,000			
Labo	1,600,000	1,605,000			
Transportation	267,000	(00,000)			
All other costs	207,000	00,000			
<u>Total</u>	<u>\$ 1,974,000</u>	<u>\$ 1,616,000</u>			
Total Annual Plant Properties	19,150,000				
Memo:					
Total New Investment	\$ 24,500,000				
Interest on New Investment @ 5% Cost of Fund	1,225,000	00,000			

7-24 Schedule 21

5672

February 9, 1965

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price - 3.5% B.F.	\$ 4.2900
Market Administrator's Fee	.0200
Sinkage 1%	.0045
Procurement, Bulk Tank Premiums Association Fees, Inner Zone Premiums, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk F.O.B. Our Plant	\$ 4.5645
To 3.4% B.F. Finished Product	<u>.0740</u>
Cost of 3.4% Finished Product	\$ 4.4905

MILK COST BY ITEMS

Quart	2.15 pounds x \$4.4905 per cwt.	=	\$.0966
Gallon	.30 pounds x \$4.4905 per cwt.	=	.1931
Gallon	8.60 pounds x \$4.4905 per cwt.	=	.3862

CX 14A

568a

Revised #2

February 9, 1965

CHICAGO-CALUMET AREAPrice Change Per Unit

{Revised to the Present Announced Super Pool Class I Price of \$4.29 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Price Change Per Unit</u>	<u>Increase or Decrease in Price Per Unit</u>
	<u>Per Quart</u>	<u>Per Half Gallon</u>
		<u>Per Gallon</u>
.01	.0002	.0004
.02	.0004	.0008
.03	.0007	.0014
.04	.0009	.0018
.05	.0010	.0020
.06	.0013	.0026
.07	.0015	.0030
.08	.0017	.0034
.09	.0019	.0038
.10	.0021	.0042
.11	.0024	.0048
.12	.0026	.0052
.13	.0028	.0056
.14	.0030	.0060
.15	.0033	.0066
.16	.0035	.0070
.17	.0037	.0074
.18	.0039	.0078
.19	.0041	.0082
.20	.0043	.0086
.21	.0045	.0090
.22	.0048	.0096
.23	.0050	.0100
.24	.0052	.0104
.25	.0054	.0108
.26	.0056	.0112
.27	.0059	.0116
.28	.0061	.0122
.29	.0063	.0126
.30	.0065	.0130
.31	.0067	.0134
.32	.0069	.0138

CHICAGO-CALUMET AREAPrice Change Per Unit

(Related to the Present Announced Super Pool Class I Price of \$4.29 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price Per Unit</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

Chicago-Chicago Area

Basic Calculation and
Private Label Quotation Schedule for
Quarts, Half Gallons and Gallons

(Items in Plastic Coated Paper)

	Per Quart	Per Half Gal.	Per Gallon
New Milk Cost	.0966	.1931	.3862
Container Cost	.0185	.0342	.0684
Production Expense	.0200	.0400	.0800
(A) Route Delivery Expense (Plan and truck only)	.0225	.0450 ✓	.0900 ✓
(B) Other Distribution Expense	.0125	.0250	.0500 ✓
<u>Total Cost</u>	<u>.1701</u>	<u>.3373</u>	<u>.6746</u>
Quotation for A & B Private Label	.1855	.3430	.6860
<u>Borden Gross Profit per unit</u>	<u>*.0154</u>	<u>*.0057</u>	<u>*.0114</u>

- (A) Route Delivery Expense is based on the following:
 (1) Six (6) day delivery per week with one (1) delivery per store per day.
 (2) Store-to-door deliveries - no in-store service.
 (3) No special deliveries.
 (4) No returns, except products inferior in quality and packaging at time of delivery.
- (B) Includes Truck Loading, Weekly Billing, Waste and General Overhead.

Calculate Borden Gross Profit per Quart per detail below:

	Weekly Quarts	Borden Gross Profit	Total
Current	40,668	X .0154	= \$626.28
1/2 Estimation	202,960	X .00285	= \$578.42
Calculation Current Points	<u>57,204</u>	<u>X .00285</u>	<u>= \$163.03</u>
Calculation Current Points	<u>300,832</u>		<u>= \$1367.75</u>

Composite Borden Gross Profit per Quart .0045.

CX 14 D

571a

February 9, 1965

Product Costs

Present Announced - A. C. F. Private Label

Present To The Present Announced Super Pool Class I Price of \$4.29:

	<u>Net for Borden Label</u>	<u>Net for A. C. F. Private Label</u>
100% V.P. Milk - Gallon Paper	\$.7371	\$.6060
1% no fat Milk - 1/2 Gal. Paper	.3685	.3030
1% nonfat Milk - Quart Paper	.2000	.1855
2% - 1/2 Gal. Paper	.3455	.3220
Vitamin Fortified Skim - 1/2 Gallon	.3453	.3220
Half and Half - Pint	.2684	.2730
(Above items account for approximately 70% of A. C. F. total sales.)		
Chocolate Milk - Quarts	.2637	.2387
Sour Milk - 1/2 Gallons	.3685	.3065
Buttermilk - Quarts	.2060	.1950
Fortified Skim - Quarts	.1917	.1867
Whipping Cream - 1/2 Pints	.3068	.2918

In the above listing we have not included half and half quantity sour cream, sov half and half, sour cream dips, triple whip and yogurt. Production of these items under private label, in addition to our regular brand, adversely affects production costs substantially because the items are required in limited quantity.

CX 14E

572a Lj ex 15A

2/9.

After a P.M discussion
concluded 2/8 at 3 P.M.

Lip MA known.

2P came in
diff than expected.

Birds did not call P.M

Told to
Elmer Schmidt called
Gordon Tapp when Elmer
was in Coach A & P
Miles on other matter

Wants probe on Pl.
which I will.

Jars was passed.

He left in 30 and to
work with Chi. Need more

572a

CX 1613

- Stony rock coast Maine
- Coast
- North America
- Long Wh.
- Silence

Shore was of sand or
pebbles.

At least - " ?
stein on "Big Island"
6 main stones and
70 or 80 smaller ones.

All these were - fine
dry sand like.

May 25, 1965.

THE BORDEN COMPANY

CENTRAL DIVISION.

Price Quotation Data Covering

A & P Private Label Fluid

Milk Products in

A & P Areas No. 2, 3, 4, 5 & 6.

CX 18A

Schedule No. 1-Part 1May 25, 1965.FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.3200
Market Administrator's Fee	.0200
Shrinkage	.0045
Procurement, Bulk Tank Premiums, Association Fees, etc.	<u>.2500</u>

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant	\$4.5945
To 3.4% B.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$4.5245</u>

Milk Cost By Items

Quarts 2.15 pounds X \$4.5245 per cwt.	=	\$.0973
Half Gallon 4.30 pounds X 4.5245 per cwt.	=	.1946
Gallon 8.60 pounds X 4.5245 per cwt.	=	.3891

18 B

May 25, 1965The Borden CompanyGeneral Quotation - A & P Private Label(Related to Present Announced Super Pool Class 1 Price of \$4.32)

	Net Price for A & P Private Label
Homo V. D. Milk - Gal. Paper	.6096
Homo V. D. Milk - 1/2 Gal. Paper	.3088
Homo V. D. Milk - Quart Paper	.1636
2% - 1/2 Gal. Paper	.2910
Vitamin Fortified Skim - 1/2 Gal. Paper	.2753
Half & Half - Pint Paper	.2401
Chocolate Milk - Quart Paper	.2156
Buttermilk - 1/2 Gal. Paper	.3084
Buttermilk - Quart Paper	.1636
Fortified Skim - Quart Paper	.1555
Whipping Cream - 1/2 Pint Paper	.2490

Prices apply to stores located in the geographical area subject to the terms of the Chicago Super Pool which includes Chesterton, South Bend, Mishawaka, Elkhart, Goshen, LaPorte, Valparaiso and Walkerton, all in the State of Indiana.

In the above listing we have not included certain items such as half and half quarts, sour cream, half and half, sour cream dips, triple whip, yogurt, etc. Production of these items under private label adversely effects production costs substantially because the items are required in limited quantity.

577d

Schedule No. 2 - Part 1.

May 25, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.0000
Market Administrator's Fee	.0200
Shrinkage	.0043
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.2743
To 3.4% B. F. Finished Product	<u>.0700</u>
Cost of 3.4% Finished Product	<u>\$4.2043</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$4.2043 per cwt.	=	\$.0904
Half Gallon 4.30 pounds X 4.2043 per cwt.	=	.1808
Gallon 8.60 pounds X 4.2043 per cwt.	=	.3616

18D

The Borden Company

General Quotation - A. P. Private Label

(Relative to Present Announced Superpools Class 1 Price of \$4.00)

	Net Price for A. P. Private Label
Homo V.D. Milk Gals. Paper	• 6960
Homo V.D. Milk 1/2 Gal. Paper	• 3480
Homo V.D. Milk Quart Paper	• 1839
2% - 1/2 Gal. Paper	• 3242
Vitamin Fortified Skim - 1/2 Gal. Paper	• 3199
Half & Half - Pint Paper	• 2702
Chocolate Milk Quart Paper	• 2344
Buttermilk 1/2 Gal. Paper	• 3544
Buttermilk Quart Paper	• 1829
Fortified Skim Quart Paper	• 1695
Whipping Cream 1/2 Pint Paper	• 2813

Prices apply to stores located in the geographical area subject to the terms of the Rockford Superpools which includes Lockport, Aurora, Joliet, Rockford, Freeport, and Love's Park, all in the State of Illinois.

In the above listing we have not included certain items such as half and half quarts, sour cream, sour half and half, sour cream dips, triple whip, yogourt, etc. Production of these items, under private label adversely affects production costs substantially because the items are in limited quantity.

18 E

579a

Schedule No. 3 - Part 1.

May 25, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$3.7800
Market Administrator's Fee	.0200
Shrinkage	.0041
Procurement, Bulk Tank Premiums Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.0541
To 3.4% B.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$3.9841</u>

MILK COSTS BY ITEMS

Quarts	2.15 pounds X \$3.9841 per cwt.	=	\$.0857
Half Gallon	4.30 pounds X 3.9841 per cwt.	=	.1713
Gallon	8.60 pounds X 3.9841 per cwt.	=	.3426

18 F

May 25, 1965THE LORDEN COMPANYGeneral Quotation -- A & P Private Label

(Related to the Present Announced Class I Price Under
Federal Order No. 30 of \$3.78)

	Net Price for A & P Private Label
Homo V.D. Milk - Gal. Paper	\$.6396
Homo V.D. Milk - 1/2 Gal. Paper	.3323
Homo V.D. Milk - Quart Paper	.1732
2% - 1/2 Gal. Paper	.3044
Vitamin Fortified Skim Milk - 1/2 Gal. Paper	.2964
Half & Half - Pint Paper	.2575
Chocolate Milk - Quart Paper	.2222
Buttermilk - 1/2 Gal. Paper	.3371
Buttermilk - Quart Paper	.1762
Fortified Skim - Quart Paper	.1637
Whipping Cream - 1/2 Pint Paper	.2823

Prices apply to stores located in the geographical area subject to the announced Class I milk prices under Federal Order No. 30 and which Class I milk prices are not subject to producer "Superpool" payments. This area includes Woodstock, Belvidere, Pecatonica, Marengo, DeKalb, Rochelle, Dixon, Polo, Mt. Morris, Kankakee, Wilmington, Manteno, Monee, St. Anne, Gilman, LaSalle, Marseilles, Ottawa, Streator, Pontiac, Princeton, Spring Valley, Sandwich, Plano, Lacon and Minonk, all in the State of Illinois

Page 2

Schedule No. 3 - Part 2

May 25, 1965

and Culver, Knox and North Judson in the State of Indiana.

In the above listing, we have not included certain items such as half & half quarts, sour cream, sour half & half, sour cream dips, triple whip, yogurt, etc. Production of these items under private label adversely affects production costs substantially because the items are in limited quantity.

582a

Schedule No. 3 - Part 3

May 25, 1965

Price Change Per Unit

(Relate to the Federal Order No. 30 Announced Class I Price
of \$3.78 per CWT.)

<u>Increase or Decrease per CWT.</u>	Increase or Decrease in Price Per Unit		
Per Quintal	Per Half Gallon	Per Gallon	
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0108
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

583a

Schedule No. 3 - Part 3
Page 2

May 25, 1965

Price Change Per Unit

(Related to the Federal Order No. 30 Announced Class I Price
of \$3.78 per CWT.)

Increase or Decrease in Price

Increase or Decrease per CWT.	Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0097	.0196	.0392
.46	.0100	.0200	.0400

584a

Schedule No. 4 - Part 1.

May 25, 1965.

FORMULA PRICE FOR RAW MILK

Per Hundred Pounds

Producer Price 3.5% B.F. \$3.8800

Market Administrator's Fee .0200

Milk Foundation and City Health Inspection Fee .0200

Waste .0040

Premiums .1000

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant \$4.0240

To 3.4% B.F. Finished Product .0720

Cost of 3.4% Finished Product

\$3.9520

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9520 = .0850

Half Gallon 4.30 pounds X 3.9520 = .1699

Gallon 8.60 pounds X 3.9520 = .3398

671-0149
ATTORNEY-EXHIBIT
BY CIRMAN CO EXHIBIT 19
5/13/68 CIRMAN CO
FILE NO. 671-0149
18 K 755

May 25, 1965The Forden CompanyGeneral Quotation - A & P Private Label

(Related to the Present Announced Class 1 Price
Under Federal Order No. 63 or \$3.88)

	<u>Net Price for</u> <u>A & P Private</u> <u>Label</u>
Homo V. D. Milk - Gal. Paper	.5872
Homo V. D. Milk - 1/2 Gal. Paper	.2938
Homo V. D. Milk - Quart Paper	.1661
2% - 1/2 Gal. Paper	.2646
Vitanin Fortified Skim Milk - 1/2 Gal. Paper	.2531
Half and Half - Pint Paper	.2399
Chocolate Milk - Quart Paper	.1883
Buttermilk - 1/2 Gal. Paper	-
Buttermilk - Quart Paper	.1666
Fortified Skim - Quart Paper	.1523
Whipping Cream - 1/2 Pint Paper	.2671

Prices apply to stores located in the geographical area subject to the announced Class 1 Milk prices under Federal Order No. 63 and which Class 1 milk prices are not subject to producer "Super Pool" payments. This area includes Geneseo, Kewanee, Lombard, Moline, Mt. Carroll, Rock Island, Savannah, Sterling, Toulon and Galesburg, all in the State of Illinois and Clinton and Davenport, in the State of Iowa. In the above listing we have not included certain items such as half and half quarts, sour cream, sour half and half, sour cream dips, triple whip, yogurt, etc. Production of these items under private label adversely affects production costs substantially because the items are in limited quantity.

Yours,
Richard A. Oliver
BY

3/13/68 - 20

FILE NO. 671-0149

18 L 756

May 25, 1955

Price Change by Unit

(Relating to the Federal Order No. 63 Announced Class 2 Price
of \$3.33 per GWT.)

Increase or Decrease in Price

<u>Increase or Decrease per GWT.</u>	<u>Per Unit</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0002	.0003
.02	.0004	.0004	.0016
.03	.0007	.0014	.0028
.04	.0009	.0019	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0063
.09	.0019	.0036	.0076
.10	.0021	.0042	.0084
.11	.0024	.0043	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0059	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0073	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0113	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0263
.32	.0069	.0138	.0276

587a

Section 12, Title 1, Part 3

Subpart 2

May 25, 1955

Price Change Table

(Related to the Federal Order No. 63 Announced & Effective
of \$3.60 per CWT.)

Increase or Decrease in Price

<u>Increase or Decrease per CWT.</u>	<u>Per Unit</u>	<u>Per Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0075	.0152	.0304
.36	.0073	.0156	.0312
.37	.0060	.0160	.0320
.38	.0032	.0164	.0328
.39	.0033	.0170	.0340
.40	.0037	.0174	.0348
.41	.0039	.0175	.0356
.42	.0034	.0182	.0364
.43	.0033	.0186	.0372
.44	.0035	.0190	.0380
.45	.0036	.0196	.0392
.46	.0100	.0200	.0400

12N

May 25, 1965

Composite Borden Gross Profit
per Quart

Item	Weekly Quarts	Borden Gross Profit per Quart	Total
Quarts	6,659	\$.0122	\$ 61.62
Half Gallons	47,416	.0006	27.37
Gallon	22,140	(.0011)	(32.12)
Total	83,215	\$.0009	\$ 76.89

Analysis of Borden Gross Profit
per Quart per Above

	Per Ounce	Per Half-Gallon	Per Gallon
Farm Milk Cost	\$.0003	\$.2795	\$.3551
Container Cost	.0135	.0342	.0682
Production Expense	.0200	.0200	.0300
Warehouse Dely. Expense (man and truck)	.0106	.0374	.0691
(E) Other Distribution Exp.	.0125	.0250	.0500
Total Cost	\$.1579	\$.3162	\$.6226
Avg. Private Label	.1701	.3175	.6161
Borden Gross Profit per Unit	\$.0122	\$.0122	\$.0122

(A) Prices are based upon route delivery expense which covers 2½ day delivery service with deliveries on a 3-day-30-30 basis. In some areas it is recognized that facilities still require 6-day-per-week service. Deliveries are store door - no instore service, no special deliveries, and no returns except for products inferior in quality and packaging at time of delivery.

Page 2

Schedule No. 5

May 25, 1965

(D) Includes truck leasing, weekly billing, waste and general overhead.

Prices are subject to change in accordance with Schedules 1, 2, 3 and 4 Part 3 "Price Change per Unit" covering charges up or down in the Class I Milk Price or the Superpool Price as such applies covering raw product costs. It is also considered that price changes in the cost of concrete and labor rate changes will be properly reflected mutually when such occur.

In certain areas the primary basic price has recognized the depressed competitive situation prevailing in such markets. Such situations must eventually be corrected. It is considered that any economic improvement that occurs subsequently will be mutually recognized in accordance with the situations.

FILE NUMBER

Gordon Tarr, accompanied by Joe Malone, met with Elmer Schmidt at A & P's Chicago offices at 1:30 P.M. to present price quotations in respect to A & P private label fluid milk products sold in A & P Areas 2, 3, 4, 5 and 6.

Tarr reviewed with Schmidt their prior discussions in regard to the subject, touching on the many complexities of the market areas and the price patterns existing as compared to a solid single market as represented by A & P's Area No. 1. Tarr further referred to the private label differential, also previously discussed, of 1/2 cent on quarts, 1 cent on half gallons and 2 cents on gallons.

Schmidt then expressed his thoughts in regard to a price differential by one dealer which set forth the 1/2 cent on quarts, 1 cent on half gallons and 2 cents on gallons. This price differential structure he posed would then be established by dealer #2 who wanted some of the private label business and then by dealer #3 and so on. This he visualized would and could cause the Federal Trade Commission real concern.

We then discussed in general terms the aspects of the meeting of competition, the cost proof developed in connection with our Wisconsin private label matter, the inquiries made previously by F.T.C. in regard to private label milk, and our Iowa data in respect thereto and Schmidt appeared rather satisfied with this review.

Schmidt then talked about the New York and Kansas City markets and wrote a figure on his pad which looked like 2.09. He indicated that it appeared difficult to understand that if such a differential was possible in those markets,

- 2 -

why were the economics different in the areas under review which had previously been discussed at the 1/2 - 1 - 2 level.

It was pointed out to Schmidt that the markets he referred to were what could be referred to as single solid markets, each of which had a complement of similar dealers, having similar union contracts; were subject to the same producer prices for raw milk, methods of delivery were similar and competitive pricing practices were generally related to such conditions. This Schmidt was advised represented the Chicago market pattern. In which case we were quick to point out that the private label quotes were solidly in the differential price area he referred to previously. It was strongly made clear that we had made this level of differential available to A & P in our Chicago-Calumet quote, that he was talking about a solid geographical and population market and that our Chicago-Calumet position was entirely consistent with his theories concerning New York and Kansas City.

Time was then taken to point out the extreme distinction between the markets contained in A & P Areas 2, 3, 4, 5 and 6.

- a) That the geographical area was widespread.
- b) That the area was composed of many cities and towns, each of which was a market in itself.
- c) That each market had its own local dealers.
- d) That depending on the area, many different union contracts were in effect which regulated not only hours of work and rates of pay but also some had restrictive delivery conditions.
- e) That some areas were already affected by depressed price of which factor had already been recognized in the prevailing prices in such areas for the Borden label.

That a greater percentage of smaller volume stores operate in Areas 2, 3, 4, 5 and 6 and that the location of stores and

a) continued -- the distance travelled substantially affect delivery costs per unit.

b) That in Areas 2, 3, 4, 5 and 6 delivery is effected by almost every kind of distribution facility --

- (1) Company common line routes.
- (2) Company hourly-rated routes.
- (3) Company trailer drop-off routes.
- (4) Vendors and distributors.
- (5) Over-the-road contract carriers.

In Areas 2, 3, 4, 5 and 6 there were basic differences in raw product costs which materially affected the total cost involved.

1) That all these factors had to be considered in their own economic and competitive lights, that they contributed toward a cost and delivery complex which differed greatly from serving a single market.

Schmidt appeared to be receptive to the factors presented and discussed;

and after some general remarks, Tarr presented Schmidt with a copy of data: "Price Quotation Data Covering A & P Private Label Fluid Milk Products in A & P Areas No. 2, 3, 4, 5 and 6."

It was indicated that before any review of the material presented took place it might be advisable to look at the various considerations that tended to dictate the price quotations set forth.

a) A & P sales areas 2, 3, 4, 5 and 6 cover a wide geographical area extending west from South Bend, Indiana (exclusive of the Calumet Area which is a part of A & P Area No. 1) to the Quad-City Area, north to the Wisconsin state line and east to Lake Michigan (exclusive of the Chicago area which is a part of A & P Area No. 1).

b) Analysis of the producer price for raw milk covering sales made in this wide area disclosed four (4) separate important raw milk cost bases as follows:

- (1) The negotiated Chicago Superpool price of \$4.32 per cwt. for Class I milk testing 3.5% butterfat.

b) (2) The negotiated Rockford Superpool price of \$4.00 per cwt.
for Class I milk testing 3.5% butterfat.

(3) The Chicago Federal Order Class I price as announced by
the Market Administrator for Federal Order No. 30 of
\$3.78 per cwt. for Class I milk testing 3.5% butterfat
(April-1965).

(4) The Quad-City Federal Order Class I price for Federal
Order No. 63 of \$3.88 per cwt. for Class I milk testing
3.5% butterfat (April-1965).

c) Analysis of the delivery and distribution procedures and methods
in the various distinct markets disclosed a wide range of delivery
costs (man and truck) due to type of delivery; whether drop, 3-day,
4-day, 5-day, or conventional full service 6-day; delivery through
vendors and distributors, delivery effected through over-the-road
contract carriers, delivery effected through trailer drop-off runs,
base pay plus commissions, commissions entirely as the basis of
compensation, hourly-rated drivers as well as differences in so-
called fringe benefits representing vacations, pensions, health
and welfare, payroll taxes, etc.

In this cost area, a determination was made of each of the respective
delivery and distribution costs involved.

d) In the quotation previously submitted covering Area 1 - Chicago-
Calumet Area - costs relative to container costs, production
expense and other distribution expense were set forth in detail
and these respective costs were included in the quotation herein
presented at the same levels as the same cost factors existed in
these cost areas.

We then indicated that in attempting to provide a price quotation that
would be representative of the different economic factors involved, it was the
decision to base such quotations on areas patterned after the raw milk costs,
such cost area representing the largest single cost element.

Therefore, four (4) price quotation areas were set forth. In each
area a Schedule 1, shown separately as Part 1, Part 2, Part 3 and Part 4
was developed which sets forth the calculation of raw milk costs.

Likewise, in each area a Schedule 2, Part 1, Part 2, Part 3 and Part 4 was developed. These schedules disclose the price quotation for private label products covering eleven (11) items and such schedules set forth by city and town name the areas where such price quotations were applicable.

Schedule 3, Part 1, Part 2, Part 3 and Part 4 is a formula schedule which sets forth the price changes that would occur where raw product costs vary from the per hundred costs as indicated on Schedule No. 1.

A review of the price quotations in each respective area was made with little comment from Schmidt.

It was then pointed out to Schmidt that throughout his discussions with Tarr that it was a requirement that the price quotations submitted be related to costs and Schedule 5 "Borden Gross Profit Per Quart" was developed to disclose costs and resulting gross profit to Borden. Schmidt was advised that it was our considered judgment from his prior discussions with Tarr that he was interested in the overall price quotation covering A & P Areas 2, 3, 4, 5 and 6 as related to the overall total costs involved and a resulting gross profit to Borden and he agreed this approach met his requirement.

Schedule 5 "Borden Gross Profit Per Quart" was reviewed in detail, covering again the various elements of costs, their cause and the differences between markets. Attention was also called to the fact that the price quotations also included recognition of depressed competitive markets where such existed. It was clearly pointed out to Schmidt that based on the price quotations submitted and the various elements shown in detail Borden's gross profit per quart was only 9/10 of a mill or slightly above a break even point.

Schmidt appeared amazed and appeared shocked at this result and, in a general way, inquired "why." It was indicated that this was our election (Lorden's), that we presently enjoyed the business and desired to retain same, did not want outside bids if possible and that it was our responsibility to find the ways and means through greater efficiencies to improve this profit level. He appeared to recognize our philosophy and seemed to recognize also that these quotations represented a bottom line.

Schmidt inquired as to our thoughts about their approach that price quotations be related to costs. It was indicated that, in our opinion, this approach was basically a sound one but one that was not generally practiced in the fluid milk business. In the general discussion of this phase, it was pointed out that historically the fluid milk business was a local small dealer type of business. Each separate market had its local dealers who were subject to local wage rates and producer milk prices. Product items were priced generally not in relation to costs but in relation to other competitors and, in many cases, to a cost appraisal which only recognized out-of-pocket elements of cost.

Schmidt expressed an interesting factor -- he hoped this private label program might be productive of \$500, 000 annually which was the gross annual contribution of approximately ten (10) good-sized stores. In this regard, it was stressed that this type of product contribution could only result from the continuance of present out-of-store margins on fluid milk products and that recognition of the competitive situation developed in Wisconsin with the introduction of private label products was important in any valuation made by A & F.

Schmidt made inquiry as to the term of Chicago superpool raw product costs and how such prices were arrived. The factors leading up to the superpool price determination were reviewed step by step, setting forth the negotiation process involved and indicating that the superpool price would remain fixed during the remainder of the year unless the producer bargaining group requested a renegotiation of the issue. In which case, a 30-day notice was required. It was pointed out to Schmidt that the producer original demand embraced a \$4.79 price, relating same to a \$5.00 per cwt. superpool price which is in effect in the Detroit market. This brought a general discussion of various producer pay prices and a review of Department of Agriculture data published in the Department's "Fluid Milk Report." Schmidt seemed appreciative of this general review of the economics involved, and as such factors related to deficit markets, surplus markets, etc.

Conversation covering grocery retailing and our business occurred particularly as related to automation and improved material handling techniques. We pointed to the study report of the Super Market Institute covering the cost savings to super market operators where it was possible to receive merchandise in pallet loads. In this regard, we made it a point to emphasize the fact that our new Woodstock Plant was one of the few milk plants in the country designed to handle the movement of merchandise by pallets.

Schmidt then requested of Tarr that he develop the overall effect of such prices as related to A & P's volume in Areas 2, 3, 4, 5, 6 and 7. The use of a three (3) week period was mutually agreed to establish a reasonable base for such computation.

Before leaving, Tarr reminded Schmidt that the base Class I price used of \$1.29 per cwt. In the price quotation covering the Chicago-Columbus quote was now \$4.32 per cwt. due to the recently negotiated superpool price and, therefore, this 3-cent per cwt. increase would affect the price quotations in accordance with the formula schedule submitted as a part of the quotation.

Schmidt then invited us for coffee and, upon leaving, he indicated "this has been a very fine meeting" further indicating he hoped we would get together again some time in the future.

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Revised
July 26, 1965.

THE BORDEN COMPANY

CENTRAL DIVISION.

Price Quotation Data Covering

A & P Private Label Fluid

Milk Products in

A & P Areas No. 2, 3, 4, 5 & 6.

Schedule No. 1 - Part 1

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.3200
Market Administrator's Fee	.0200
Shrinkage	.0045
Procurement, Bulk Tank Premiums, Association Fees, etc.	<u>.2500</u>

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant	\$4.5945
To 3.4% B.F. Finished Product	<u>.0700</u>

Cost of 3.4% Finished product

\$4.5245

MILK COST BY ITEMS

Quarts 2.15 pounds X \$4.5245 per cwt.	= \$.0973
Half Gallons 4.30 pounds X 4.5245 per cwt.	= .1946
Gallons 8.60 pounds X 4.5245 per cwt.	= .3891

Revised July 26, 1965

The Borden CompanyGeneral Quotation - A & P Private Label

(Related to Present Announced Superpool Class I Price of \$4.32 Per CWT.)

Net Price for A & P Private Label Products
by Type and Method of Delivery

<u>Private Label Products</u>	<u>3-Day Per Wk.</u>	<u>4-Day Per Wk.</u>	<u>5-Day Per Wk.</u>	<u>6-Day Per Wk.</u>	<u>6-Day Convent'l. Delivery</u>
	<u>Drop Delv'y.</u>	<u>Drop Delv'y.</u>	<u>Drop Delv'y.</u>	<u>Drop Delv'y.</u>	<u>Delivery</u>
Homo V. D. Milk - Gal. Paper	\$.6090	\$.6440	\$.6540	\$.6640	
Homo V.D. Milk - 1/2 Gal. Paper	.3060	.3255	.3305	.3355	
Homo V.D. Milk - Quart Paper	.1630	.1700	.1730	.1760	
2% - 1/2 Gal. Paper	.2800	.2935	.2985	.3035	
Vitamin Fortified Skim - 1/2 Gal. Paper	.2600	.2685	.2735	.2785	
Vitamin Fortified Skim - Quart Paper	.1555	.1648	.1678	.1708	
Half & Half - Pint Paper	.2390	.2420	.2450	.2480	
Chocolate Milk - Quart Paper	.2156	.2456	.2486	.2516	
Buttermilk - 1/2 Gal. Paper	.3084	.3289	.3339	.3389	
Buttermilk - Quart Paper	.1550	.1620	.1650	.1680	
Whipping Cream - 1/2 Pint Paper	.2490	.2660	.2690	.2720	

Prices apply to stores located in the geographical area subject to the terms of the Chicago Super Pool which are as follows:

Stores Receiving 3-Day Per Week Delivery:

South Bend (6 stores), Mishawaka,
Elkhart, Goshen, La Porte, Valparaiso,
Walkerton and Michigan City.

Stores Receiving 6-Day Per Week Delivery:

Chesterton, South Bend (1 store).

Stores Receiving 4-Day and 5-Day Per Week Delivery:

None

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Schedule No. 1 - Part 2

Revised July 26, 1965

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Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

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Revised July 26, 1965Price Change Per Unit

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per CWT.)

Increase or Decrease in Price
Per Unit

<u>Increase or Decrease per CWT.</u>	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Schedule No. 1 - Part 3
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Revised July 26, 1965

Price Change Per Unit

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per CWT.)

Increase or
Decrease per CWT.

Increase or Decrease per CWT.	Increase or Decrease in Price		
	Per Quart	Per Half Gallon	Per Gallon
*33	.0072	.0144	.0288
*34	.0074	.0148	.0296
*35	.0076	.0152	.0304
*36	.0078	.0156	.0312
*37	.0080	.0160	.0320
*38	.0082	.0164	.0328
*39	.0085	.0170	.0340
*40	.0087	.0174	.0348
*41	.0089	.0178	.0356
*42	.0091	.0182	.0364
*43	.0093	.0186	.0372
*44	.0095	.0190	.0380
*45	.0098	.0196	.0392
*46	.0100	.0200	.0400

Schedule No. 2 - Part 1.

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.0000
Market Administrator's Fee	•0200
Shrinkage	•0043
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>•2500</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.2743
To 3.4% B.F. Finished Product	<u>•0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$4.2043</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$4.2043 per cwt.	= \$0.0904
Half Gallons 4.30 pounds X 4.2043 per cwt.	= .1808
Gallons 8.60 pounds X 4.2043 per cwt.	= .3616

Revised July 26, 1965

The Borden CompanyGeneral Quotation - A & P Private Label

(Related to Present Announced Superpool Class I Price of \$4.00 Per CWT.)

Net Price for A & P Private Label Products
by Type and Method of Delivery

Private Label Products	3-Day	4-Day	5-Day	6-Day
	Per Wk.	Per Wk.	Per Wk.	Per Wk.
	Drop	Drop	Drop	Convent'l.
	Delv'Y.	Delv'Y.	Delv'Y.	Delivery
Homo V.D. Milk - Gal. Paper	\$.6410	\$.6760	\$.6860	\$.6960
Homo V.D. Milk - 1/2 Gal. Paper	.3205	.3380	.3430	.3480
Homo V.D. Milk - Quart Paper	.1680	.1750	.1780	.1810
2% - 1/2 Gal. Paper	.2995	.3130	.3180	.3230
Vitamin Fortified Skim - 1/2 Gal. Paper	.2895	.2980	.3030	.3080
Vitamin Fortified Skim - Quart Paper	.1542	.1635	.1665	.1695
Half & Half - Pint Paper	.2480	.2510	.2540	.2570
Chocolate Milk - Quart Paper	.1970	.2270	.2300	.2330
Buttermilk - 1/2 Gal. Paper	.3239	.3444	.3494	.3544
Buttermilk - Quart Paper	.1680	.1750	.1780	.1810
Whipping Cream - 1/2 Pint Paper	.2583	.2753	.2783	.2813

Prices apply to stores located in the geographical area subject to the terms of the Rockford Superpool which are as follows:

Stores Receiving 6-Day Per Week Delivery:

Lockport, Aurora (2 stores), Joliet (6 stores), Rockford (5 stores), Freeport and Loves Park.

Stores Receiving 3-Day - 4-Day - or 5-Day Per Week Delivery:

None

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Schedule No. 2 - Part 2

Revised July 26, 1965

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Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

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Schedule No. 2 - Part 3Revised July 26, 1965Price Change Per Unit

(Related to the Present Announced Rockford Super Pool Class I Price
of \$4.00 per CWT.)

Increase or Decrease per CWT.	Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0076	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Schedule No. 2 - Part 3
Page 2

Revised July 26, 1965

Price Change Per Unit

(Related to the Present Announced Rockford Super Pool Class I Price
of \$4.00 per CWT.)

Increase or Decrease in Price
Per Unit

<u>Increase or Decrease per CWT.</u>	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	*.0072	*.0144	*.0288
.34	*.0074	*.0148	*.0296
.35	*.0076	*.0152	*.0304
.36	*.0078	*.0156	*.0312
.37	*.0080	*.0160	*.0320
.38	*.0082	*.0164	*.0328
.39	*.0085	*.0170	*.0340
.40	*.0087	*.0174	*.0348
.41	*.0089	*.0178	*.0356
.42	*.0091	*.0182	*.0364
.43	*.0093	*.0186	*.0372
.44	*.0095	*.0190	*.0380
.45	*.0098	*.0196	*.0392
.46	*.0100	*.0200	*.0400

Schedule No. 3 - Part 1.

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.O.F.	\$3.7800
Market Administrator's Fee	.0200
Shrinkage	.0041
Procurement, Bulk Tank Premiums, Association Fees, etc.	<u>.2500</u>

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant	\$4.0541
To 3.4% B.O.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$3.9841</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9841 per cwt.	= \$.0857
Half Gallons 4.30 pounds X 3.9841 per cwt.	= .1713
Gallons 8.60 pounds X 3.9841 per cwt.	= .3426

Revised July 26, 1965

The Borden CompanyGeneral Quotation - A & P Private Label

(Related to the Announced Class I Price Under Federal Order
No. 30 of \$3.78 Per CWT.)

Net Price for A & P Private Label Products
by Type and Method of Delivery

<u>Private Label Products</u>	<u>3-Day Per Wk. Drop Delv'y.</u>	<u>4-Day Per Wk. Drop Delv'y.</u>	<u>5-Day Per Wk. Drop Delv'y.</u>	<u>6-Day Per Wk. Drop Delivery.</u>
Homo V.D. Milk - Gal. Paper	\$6216	\$6566	\$6666	\$6766
Homo V.D. Milk - 1/2 Gal. Paper	.3108	.3283	.3333	.3383
Homo V.D. Milk - Quart Paper	.1644	.1714	.1744	.1774
2% - 1/2 Gal. Paper	.2898	.3033	.3083	.3133
Vitamin Fortified Skim - 1/2 Gal. Paper	.2798	.2883	.2933	.2983
Vitamin Fortified Skim - Quart Paper	.1474	.1567	.1597	.1627
Half & Half - Pint Paper	.2414	.2444	.2474	.2504
Chocolate Milk - Quart Paper	.1934	.2234	.2264	.2294
Buttermilk - 1/2 Gal. Paper	.3078	.3283	.3333	.3383
Buttermilk - Quart Paper	.1644	.1714	.1744	.1774
Whipping Cream - 1/2 Pint Paper	.2484	.2654	.2684	.2714

Prices apply to stores located in the geographical area subject to the announced Class I milk prices under Federal Order No. 30, (which Class I milk prices are not subject to producer "superpool" payments) which stores are as follows:

Stores Receiving 3-Day Per Week Delivery:

Manteno	St. Annes	Gilman	La Salle
Marsailles	Ottawa	Pontiac	Princeton
Spring Valley	Sandwich	Lacon	Minonk
Culver	Knox	North Judson	Warren

Stores Receiving 4-Day Per Week Delivery:

None

Stores Receiving 5-Day Per Week Delivery:

Belvidere	Marengo	DeKalb
Rochelle	Polo	Mt. Morris
Dixon		

Stores Receiving 6-Day Per Week Delivery:

Woodstock	McHenry
Fox Lake	Antioch
Kankakee (2 stores)	Wauconda
Pecatonica	Crystal Lake
Wilmington	Zion

Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Schedule No. 3 - Part 3

Revised July 26, 1965

Price Change Per Unit

(Related to the Federal Order No. 30 Announced Class I Price
of \$3.78 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price</u>		
	<u>Per Quant.</u>	<u>Per Unit</u>	<u>Per Gallon</u>
	<u>Per Gallon</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	*.0002	*.0004	*.0008
.02	*.0004	*.0008	*.0016
.03	*.0007	*.0014	*.0028
.04	*.0009	*.0018	*.0036
.05	*.0010	*.0020	*.0040
.06	*.0013	*.0026	*.0052
.07	*.0015	*.0030	*.0060
.08	*.0017	*.0034	*.0068
.09	*.0019	*.0038	*.0076
.10	*.0021	*.0042	*.0084
.11	*.0024	*.0048	*.0096
.12	*.0026	*.0052	*.0104
.13	*.0028	*.0056	*.0112
.14	*.0030	*.0060	*.0120
.15	*.0033	*.0066	*.0132
.16	*.0035	*.0070	*.0140
.17	*.0037	*.0074	*.0148
.18	*.0039	*.0078	*.0156
.19	*.0041	*.0082	*.0164
.20	*.0043	*.0086	*.0172
.21	*.0045	*.0090	*.0180
.22	*.0048	*.0096	*.0192
.23	*.0050	*.0100	*.0200
.24	*.0052	*.0104	*.0208
.25	*.0054	*.0108	*.0216
.26	*.0056	*.0112	*.0224
.27	*.0059	*.0118	*.0236
.28	*.0061	*.0122	*.0244
.29	*.0063	*.0126	*.0252
.30	*.0065	*.0130	*.0260
.31	*.0067	*.0134	*.0268
.32	*.0069	*.0138	*.0276

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Schedule No. 3 - Part 3
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Revised July 26, 1965

Price Change Per Unit

(Related to the Federal Order No. 30 Announced Clubs I Price
of \$3.78 per CWT.)

Increase or Decrease in Price

<u>Increase or Decrease per CWT.</u>	<u>Per Quart</u>	<u>Per Unit</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0288	
.34	.0074	.0148	.0296	
.35	.0076	.0152	.0304	
.36	.0078	.0156	.0312	
.37	.0080	.0160	.0320	
.38	.0082	.0164	.0328	
.39	.0085	.0170	.0330	
.40	.0087	.0174	.0348	
.41	.0089	.0178	.0356	
.42	.0091	.0182	.0364	
.43	.0093	.0186	.0372	
.44	.0095	.0190	.0380	
.45	.0098	.0196	.0392	
.46	.0100	.0200	.0400	

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Schedule No. 4 - Part 1.

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$3.8800
Market Administrator's Fee	.0200
Milk Foundation and City Health Inspection Fee	.0200
Waste	.0040
Premiums	<u>.1000</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.0240
To 3.4% B.F. Finished Product	<u>.0720</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$3.9520</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9520	=	\$.0850
Half Gallons 4.30 pounds X 3.9520	=	.1699
Gallons 8.60 pounds X 3.9520	=	.3398

Revised July 26, 1965

The Borden CompanyGeneral Quotation - A & P Private Label

Applicable to the Announced Class I Price Under Federal Order No. 63 or \$3.88 per Cwt.

Net Price for A & P Private Label Product: by Type and Method of Delivery					
3-Day Per Wk. Drop Delv'g.	4-Day Per Wk. Drop Delv'g.	5-Day Per Wk. Drop Delv'g.	6-Day Per Wk. Drop Delv'g.	Convent'l. Delivery	Convent'l. Delivery

<u>Milk & Dairy Products</u>					
Hom. V. D. Milk - Gal. Paper	*5872	*6222	*6322	*6422	
Hom. V. D. Milk - 1/2 Gal. Paper	*2938	*3113	*3163	*3213	
Hom. V. D. Milk - Quart Paper	*1661	*1731	*1761	*1791	
2% - 1/2 Gal. Paper	*2646	*2781	*2831	*2881	
Vitamin Fortified Skim Milk - 1/2 Gal. Paper	*2531	*2616	*2666	*2716	
Vitamin Fortified Skim " Qt. - Paper	*1523	*1616	*1646	*1676	
Half and Half - Pint Paper	*2399	*2429	*2459	*2489	
Chocolate Milk - Quart Paper	*1883	*2183	*2213	*2243	
Buttermilk - Quart Paper	*1666	*1736	*1766	*1796	
Shipping Cream - 1/2 Pint Paper	*2671	*2841	*2871	*2901	

Prices apply to stores in the geographical area subject to the announced Class I Milk prices under Federal Order No. 63, (which Class I Milk prices are not subject to producer "Super Pool" payments) which stores are as follows:

Stores Receiving 3 Day Per Week Delivery

Geneseo Kewanee Lanark Moline (2 Stores)
Mt. Carroll Rock Island Savannah Sterling
Toulon Galesburg (2 Stores) Clinton Davenport (2 Stores)

Stores Receiving 4 Day, 5 Day or 6 Day Delivery

None.

Drop Delivery recognizes store-door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at the time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns, except products inferior in quality and packaging at time of delivery.

QR

Schedule No. 4 - Part 3Revised July 26, 1965Price Change Per Unit

(Related to the Federal Order No. 63 Announced Class I Price
of \$3.88 per CWT.)

Increase or
Decrease per CWT.

	Increase or Decrease in Price		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Revised July 26, 1965

Price Change Per Unit

(Related to the Federal Order No. 63 Announced Class I Price
of \$3.88 per CWT.)

Increase or Decrease in Price
Per Unit

Price Change Per Unit	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

Composite Borden Gross ProfitPer Quart - per Schedules 1, 2, 3 & 4 - Part 2Revised July 26, 1965

Item	Total Weekly Sales Units	Weekly Sales Units Converted to Quarts	Borden Gross Profit Per Quart	Total
Quarts - Paper	7,520	7,520	\$.0111	\$ 83.47
Half Gallons "	29,314	58,628	.0020	117.26
Gallons "	<u>8,743</u>	<u>32,972</u>	<u>.00031</u>	<u>(9.89)</u>
Total	<u>-</u>	<u>99,120</u>	<u>.0019</u>	<u>\$190.84</u>

Analysis of Borden Gross Profit

Item	Per Quart	Per Quart Set Forth Above	Per Half Gallon	Per Gallon
New Milk Cost	\$.0656	\$.1793	\$.3564	
Container Cost	.0185	.0342	.0684	
Production Expense	.0200	.0400	.0800	
Route Del'Y. " (A)	.0186	.0382	.0712	
(man & truck)				
Other Distribution Exp. (B)	<u>.0125</u>	<u>.0250</u>	<u>.0500</u>	
Total Cost	\$.1584	\$.3167	\$.6260	

Average Quotation For
A & P Private Label (C) \$.1695 \$.3206 \$.6247

Borden Gross Profit Per Unit	\$.0111	\$.0039	\$ (.0013)
Borden Gross Profit Per Quart	\$.0111	\$.0020	\$ (.0003)

- (A) Represents average weighted cost based upon the type of service currently required.
- (B) Includes truck loading, weekly billing, waste and general overhead.
- (C) Prices are subject to change in accordance with Schedules 1, 2, 3 and 4, Part 3 "price Changes per Unit" covering changes up or down in the Class I Milk Price or the Super Pool Price as such applies covering new product costs.

Any changes in our costs, up or down, in labor, containers, fuel, power, etc. are not covered in our pricing formula and will require consideration as they occur.

Reference has been made to the fact that the container and departmental costs submitted and shown in detail under date of February 9, 1965, on schedule "Basic Calculation and Private Label Quotation Schedule for Quarts, Half Gallons and Gallons" covering A & P private label milk, are substantially above similar costs in Metropolitan New York market.

The costs elements which were shown on such schedule embrace the following:

Container	Per Quart Container	Per Half Gallon Container	Per Gallon Container
Container Costs	\$.0185	\$.0342	\$.0684
Production Expense	.0200	.0400	.0800
Route Delivery Expense	.0225	.0450	.0900
Other Distribution Expense	<u>.0125</u>	<u>.0250</u>	<u>.0500</u>
Total Container and Departmental Costs	<u>\$.0735</u>	<u>\$.1442</u>	<u>\$.2884</u>

This cost data was based on the elements of cost related to the production and delivery of fluid milk products in the Metropolitan Chicago area.

In this market area, the above costs involved other than container cost, are principally salaries and wages, which element of cost is subject to the provisions of local union labor contracts negotiated on an industry-wide basis with the Milk Wagon Drivers Union, Local 753 and Dairy Employees Union, Local 754. These contract agreements not only provide for rates of pay and commissions but also cover hours and conditions of work.

Examination of similar costs covering the Metropolitan New York operation which were submitted in connection with the New York quotation

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covering A & P private label milk in August, 1964 disclosed the following:

	Per Quart Container	Per Half Gallon Container	Per Gallon Container
Container Cost	\$.0200	\$.0330	\$.0650
Processing Charge	.0200	.0400	.0800
Delivery Charge	.0200	.0400	.0700
Total	\$.0600	\$.1130	\$.2150

Comparing the above costs with the Chicago data discloses that the Chicago container and departmental costs exceed the New York cost data as follows:

	Increased or (Decreased) Unit Cost		
	Per Quart Container	Per Half Gallon Container	Per Gallon Container
Container Cost	\$ (.0015)	\$.0012	\$.0034
Production Expense			
Route Delivery Expense	.0025	.0050	.0100
Other Distribution Expense	.0125	.0250	.0500
Total	\$.0135	\$.0312	\$.0634

From the above, it is quickly ascertainable that the principal area of cost difference is related to route delivery and other distribution expense.

Aside from the raw milk cost, this cost area is second in cost importance; but in a cost comparison analysis, recognition is required of any cost impact resulting from union contract wage rates, delivery restrictions and local health limitations. Reference will be made to these distinctions in detail.

Examination was made as to the elements of cost that were contained in the total delivery unit cost by the Metropolitan New York operation and by

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the Metropolitan Chicago operation covering A & P private label milk in the Chicago-Calumet area.

This review disclosed that the total Chicago unit cost covering Route Delivery Expense and Other Distribution Expense included the cost covering the movement of milk from its plant at Woodstock, Illinois, to Chicago, Illinois, a distance of 51 miles, while in the New York operation this cost was considered to be a part of the milk cost.

To provide comparability of cost comparison, this cost which amounts to 35.29 cents per hundred pounds, or \$.0076 per point, was reclassified as a part of the Chicago milk cost. This reclassification of cost when added to the former cost of procurement, bulk tank premiums, association fees, inner zone premiums, etc., becomes 60.29 cents a hundred pounds which is comparable to the New York cost for similar type functions of 70 cents per hundred pounds. Schedule No. I attached hereto sets forth the details in connection with the formula price for raw milk covering both markets.

Delivery and Distribution Expense

The reclassification of the transport expense results in the following revised per unit cost covering route delivery expense and other distribution expense as follows:

	Per Quart	Per Half Gallon	Per Gallon
Route Delivery Expense	\$.0225	\$.0450	\$.0900
Other Distribution Expense	<u>.0049</u>	<u>.0098</u>	<u>.0196</u>
Total	<u>\$.0274</u>	<u>\$.0548</u>	<u>\$.1096</u>

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The above delivery and distribution expense per unit as revised compares with the New York "delivery charge" as follows:

	Per Quart	Per Half Gallon	Per Gallon
Delivery Charge	\$.0200	\$.0400	\$.0700
Increased Cost Per Unit of Chicago over New York	\$.0074	\$.0148	\$.0396

Before due weight and consideration can be given to the indicated delivery and distribution cost differences between the two markets, recognition is necessary of factors that are basically different and thus create cost differentials which are wholly unrelated to operational efficiency.

- (1) Both operations have in effect negotiated union labor contracts which govern rates of pay, hours of work, and method of delivery.

(2) The rate of pay and commission of a wholesale route driver in New York is substantially below that of Chicago. In New York the base pay per week is \$44.15 less and the commission cost per week based on Chicago's route loads is \$83.91 per week less.

- (3) Both operations make deliveries on a 6-day basis to stores.

However, in New York the Dairy Sealed delivery is geared to a street drop delivery (even before the store opens). In Chicago the union contract specifically provides under Article 39B: "It is agreed that no rays of merchandise shall be made on store wholesale routes to trucks or stores at any time. All deliveries

shall be made into the dairy case or cooler by the driver without any help or assistance." While Chicago has been able to modify its delivery method compared to the restrictive provision of the union contract, the extent of such modification is limited.

- (4) In New York the drop delivery method considers the sidewalk drop of merchandise even before the stores open, returning later to have the ticket signed and to pick up empty cases. This type of drop delivery in Chicago would not be allowed by the Chicago Health Department.
- (5) In New York, peak day requirements are handled by a "shuttle" service which implements into service a total of approximately ten vehicles, using both regular inside and outside personnel in its program. In Chicago the union contract limits this treatment and under no condition could "inside" union employees be used for an "outside" function. In Chicago inside and outside employees are represented by separate and distinct unions.
- (6) The average purchase per store per day in New York represents 752 points compared to 547 points per delivery in Chicago. This is an important factor in delivery cost evaluation.
- (7) There is a greater density of stores in the New York area which allows for less driving time and a greater application of more direct time in the delivery function.

The foregoing attempts to set forth some of the operational differences between the wholesale delivery operations in the two respective markets, all of which contribute to cost differences.

Schedule No. 2 attached is a comparison of the delivery and distribution costs between the two markets. This data discloses that it costs .0082 more to perform the wholesale delivery requirement in Chicago than New York. This comparison considers only prime basic delivery and distribution expenses as set forth and is completely devoid of any overhead and burden costs.

This delivery cost differential of .0083 per point is the equivalent of .0166 per half gallon and .0332 per gallon.

Schedule No. 3 sets forth the detailed per unit costs included in the New York quotation of September 3, 1964, and the Chicago-Calumet quotation of February 9, 1965. This schedule shows that after putting such costs on a comparable basis between the two markets that the difference in Chicago's per unit costs is entirely justified.

To summarize, the total container and departmental cost increase per the quotation is as follows:

Per Quart	Per Half Gallon	Per Gallon	Weighted Average Per Qt.
\$.0059	\$.0160	\$.0430	\$.0082

The actual delivery and distribution cost increase as disclosed by

Schedule No. 2 is as follows:

Per Quart	Per Half Gallon	Per Gallon	Weighted Average Per Qt.
\$.0083	\$.0166	\$.0332	\$.0083

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The facts more than support the wholesale delivery and distribution differential.

Container Costs

A comparison of the container costs which were a part of New York's bid quotation of September 3, 1964, and the Chicago-Calumet quotation of February 9, 1965, discloses the following:

	Unit Cost Per Container		
	Quart Size	Half Gallon Size	Gallon Size
New York	\$.0200	\$.0320	\$.0650
Chicago-Calumet	.0185	.0342	.0684
Increase or (Decrease)			
Chicago over New York	(.0015)	.0013	.0034

Applying the above indicated container cost units to the volume in each market by container size, the average weighted cost per quart is as follows:

New York	\$.01734
Chicago	.01728

In this regard, it is important to recognize that container costs do not just represent the milk carton alone. This cost includes, in addition to the carton, the cost of the forming machine rental, production royalties, the cost of shipping cases and case container covers, all of which costs are variable in nature between plants.

Summary of Gross Margin to Borden as Revised (Not Including Overhead and Burden)

Schedule No. 4 is a revision of schedule "Basic Calculation and Private Label Quotation Schedule for Quarts, Half Gallons and Gallons" which was attached to the quotation of February 9, 1965.

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This revised schedule discloses that the Borden gross margin (before overhead and burden) per quart (quarts, half gallons and gallons converted to a quart basis) to be \$.0036 per point.

Comparison of Selling Price

Schedule No. 5 sets forth a comparison of the present private label prices in New York adjusted for the difference in the base Class I price of \$1.07 per cwt. with the Chicago-Calumet quotation.

This schedule discloses the following:

	Quart Paper	Half Gallon Paper	Gallon Paper
Selling Prices in New York Adjusted for Class I Price Differential	\$.1748	\$.3453	\$.6797
Selling Prices Per the Chicago-Calumet Quotation	<u>.1855</u>	<u>.3430</u>	<u>.6860</u>
Excess of Chicago-Calumet Bid Quotation over Metro- politan New York Selling Prices as Adjusted	\$.0107	\$ (.0023)	\$.0363

Applying the increased and decreased price factors as shown above to the total quart, half gallon, and gallon volume considered in the Chicago-Calumet bid, these increased and decreased selling prices weighted on a per quart basis (quarts, half gallons and gallons converted to quarts) result in a weighted average per quart of only 9 tenths of a mill above the present New York selling prices for homogenized milk.

The foregoing attempts to set forth the data and supporting facts to justify the economic relationship of the Chicago-Calumet bid quotation with the accepted selling prices in effect in the Metropolitan New York market.

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It is evident from the material examined and the cost factors

analyzed that the selling prices quoted are realistic from a minimum cost standpoint and are devoid of overhead and burden cost elements.

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THE BORDEN COMPANY
CENTRAL DIVISION

BASIC CALCULATION OF RAW PRODUCT CCC-T - CLASS I MILK

Formula Price for Raw Milk - Chicago-Galumet Revised by a Reclassification of Costs on a Comparable Basis with the New York Formula

	Price Per Hundred Pounds
<u>BORDEN'S FORMULA FOR DETERMINING MILK COST FOR A & P LABEL MILK CONTAINERS - NEW YORK MARKET</u>	
(Costs Based on August 1964 Class I Prices)	
(A) Glass I Price for 3.5% butterfat milk as announced by the Federal Milk Market Administrator under terms of Federal Milk Marketing Order No. 2	\$ 5.21
Market Administrator's Fee	.02
(B) Butterfat to 3.6%	.04
Country plant receiving, bulk farm tank pickup-up allowances, farm inspection, supervision of country laboratory testing, etc., and hauling in bulk tanks to city plants	.70
Shrinkage 1%	.06
Total Cost of Milk at City Plants	<u>\$ 6.03</u>
\$.0603 x 2.15 lbs. = Cost per Quart	<u>.1296</u>
Cost per Half-Gallon	<u>.2592</u>
Cost per Gallon	<u>.5184</u>

NOTE:

- (A) Based on present conditions.
If at some future time premiums to producers become widespread, this cost may have to be adjusted to reflect market conditions.
- (B) Standardization of milk is not permitted in New York State. 3.6% represents a fair year-round average of our production. If year-round basis is not satisfactory, it can be adjusted on a quarterly, or even a monthly, basis.

Reclassification of Costs Per Hundred Pounds	Price Per Hundred Pounds as Revised
<u>FORMULA PRICES FOR RAW MILK -- CHICAGO-CALUMET</u>	
(a) D. Cr.	
Producer Price 3.5% B.F.	\$ 4.2900
Market Administrator's Fee	.0200
Shrinkage 1%	.0045
Procurement Cost, Bulk Tank Premiums, Association Fees, Inner Zone Premiums and Hauling to City Distribution Points	<u>.2500</u>
Total Cost of Raw Milk F.O.B. Our Plant	<u>\$ 4.5645</u>
To 3.4% raw milk	<u>.3974</u>
	<u>.3529</u>
	<u>.0629</u>
	<u>\$ 4.4619</u>

Price for 3.4% Butterfat milk as determined by
the Federal Milk Market Administrator under terms of
Federal Milk Marketing Order No. 2

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\$ 5.21

.02

.04

Country plant receiving, bulk farm tank pickup allowances,
farm inspection, supervision of country laboratory testing,
etc., and hauling in bulk tanks to city plants .70

Shrinkage 1%	.06
Total Cost of Milk at City Plants	<u>\$ 6.03</u>

\$.0603 x 2.15 lbs. = Cost per Quart	.1296
Cost per Half-Gallon	.2592
Cost per Gallon	.5184

NOTE:

(A) Based on present conditions.

If at some future time premiums to producers
become widespread, this cost may have to be
adjusted to reflect market conditions.

(B) Standardization of milk is not permitted in New
York State. 3.6% represents a fair year-round
average of our production. If year-round basis
is not satisfactory, it can be adjusted on a quar-
terly, or even a monthly, basis.

(2) FORMULA PRICES FOR RAW MILK -- CHICAGO-CALUMET		(a)	Reclassification of Costs	Price Per Hundred Pounds as Revised
		D.	Cr.	
Producer Price 3.5% B.F.	\$4.2900			\$ 4.2900
Market Administrator's Fee	.0200			.0200
Shrinkage 1%	.0045		.0445	.0445
Procurement Cost, Bulk Tank Premiums, Association Fees, Inner Zone Premiums and Hauling to City Distribution Points	.2500	.3529	.3529	.6229
Total Cost of Raw Milk F.O.B. Our Plant	\$4.5645	.3974	.3974	\$ 4.9619
To 3.4% B.F. Finished Products	.0740			.0740
Cost of 3.4% Finished Product	\$4.4905	.3974	.3974	\$ 4.8379
*Total Cost of Raw Milk F.O.B. City				

MILK COST BY ITEMS

Quart	2.15 lbs. x \$4.4905 = \$.0966	2.15 lbs. x \$4.8879 = \$.1051
Half-Gallon	4.30 lbs. x 4.4905 =	4.30 lbs. x 4.8879 = .2102
Gallon	8.60 lbs. x 4.4905 =	8.60 lbs. x 4.8879 = .4204

NOTE:

(a) Represents the reclassification of the transport cost of moving products from
Woodstock, Illinois, which is approximately 51 miles from Chicago, to City
distribution points, from which location the products are loaded in route trucks
for distribution to stores. This cost was a part of "Other Delivery Expenses."

Schedule No. 2

THE BORDEN COMPANY
CENTRAL DIVISION

COMPARISON OF WHOLESALE

Item	DELIVERY COSTS-PER POINT	
	Metropolitan New York - Metropolitan Chicago	Cost per Point Delivered
Route Wage Costs and Commissions	\$.0098	\$.0171
Fringe Benefits on Above	.0013	.0027
Route Truck Expense	.0057	.0049
Sub-Total Route Delivery Expense	\$.0168	\$.0247
Supervision	.0002	.0003
Clerical and Billing	.0010	.0010
All Other Costs	.0015	.0018
<u>GRAND TOTAL</u>	\$.0195	\$.0278
Increase Per Point of Chicago Delivery Cost Over Metropolitan New York Delivery Cost		\$.0083
Number of Wholesale Routes	162 Dairy Sealed	42
Average Points per Delivery Day	4,884 " "	3,266
Number of A & P Stores Served	403 " "	170
Average Points Per Day - A & P Stores	752 " "	547

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THE BORDEN COMPANY

Central Division

Reconciliation of Costs (Other Than Raw* Product)

Area	<u>New York Collection of 9/3/62</u>			
	<u>Container Cost</u>	<u>Processing Charge</u>	<u>Delivery Charge</u>	<u>Other</u>
				<u>TOTAL</u>

Chicago-Calumet Quotation of 2/9/65

Increase of Chicago-Calumet Quoted
Costs over New York Cost

Chicago-Cajunet Costs Adjusted on a Corresponding Basis

Container Cost	\$.0185	\$.0342	\$.0684
Production Expense	.0290	.0400	.0800
Route Delivery Expense	.0225	.0450	.0900
Other Distribution Expense	.0049	.0098	.0196
<u>TOTAL</u>	<u>\$.0659</u>	<u>\$.1290</u>	<u>\$.2580</u>

The increase of Chicago-Calumet Costs was Adjusted on a Comparable Basis with New York.

Average Per Quart (Gallons, Half-Gallon & Quarts Converted to Quarts)

Increase in Delivery Cost -
Chicago-Columbus over New York-
based on Delivery Methods and
Commodities Delivered - Schedule No. 2

Average Per Quart (Gallons, Half-Gallons & Quarts Converted to Quarts)

THE BORDEN COMPANY
CENTRAL DIVISION
CHICAGO-GALUZET AREA

Private Label Quotations For 1/4 Quarts, Half-Gallons & Gallons, as Revised			
	Per Quart	Per Half-Gallon	Per Gallon
Raw Milk Cost	\$.1051	\$.2102	\$.4204
Container Cost	" .0185	" .0342	" .0684
Production Expense	" .0200	" .0400	" .0800
Route Delivery Expense (A) (Man & Truck Only)	" .0225	" .0450	" .0900
Other Distribution Expense	" .0049	" .0098	" .0196
TOTAL COST	" 1710	" 3392	" 6704
Quotations for Private Label	<u>" 1855</u>	<u>" 3430</u>	<u>" 6860</u>
BORDEN GROSS MARGIN			
PER UNIT (not including overhead and burden)			
Composite Borden Gross Margin Per Quart, Per Detail Below	\$.0145	\$.0038	\$.0076
Borden Gross Margin			
ITEM	Weekly Quarts	Total	
Quarts	40,668	\$.0145	\$ 583.69
Half-Gallons	202,969	" .0019	385.62
Gallons	57,204	" .0019	108.69
Total	300,832	" "	\$1,074.00
Composite Borden Gross Margin Per Quart (not including over- head and burden)			
		\$.0036	\$.0036

1/4 QUART Route Delivery Expense is based on the following:

- (1) Six (6) day delivery per week with one (1) delivery per store per day.
- (2) Store-Door deliveries. No in-store service.
- (3) No Special Deliveries.
- (4) No returns, except products inferior in quality and packaging at time of delivery.

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Private Label Quotations for
1/2 Quarts, Half-Gallons & Gallons at Present

	Per Quart	Per Half-Gallon	Per Gallon
Raw Milk Cost	\$1051	\$2102	\$4204
Container Cost	.0185	.0342	.0684
Production Expense	.0200	.0400	.0800
Route Delivery Expense (A) (Man & Truck Only)	.0225	.0450	.0900
Other Distribution Expense	.0049	.0098	.0196
TOTAL COST	.1710	.3392	.6764
Quotations for Private Label	<u>.1855</u>	<u>.3430</u>	<u>.6860</u>

BORDEN GROSS MARGIN
PER UNIT (not including
overhead and burden)

Composite Borden Gross Margin per Quart for Detail Below	Weekly Quarts	Borden Gross Margin	Total
ITEM			
Quarts	40,668	\$.0145	\$ 589.69
Half-Gallons	202,969	.0019	385.62
Gallons	57,204	.0019	106.69
Total	300,832		\$1,084.00

Composite Borden Gross Margin
Per Quart (not including over-
head and burden)

\$.0036

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THE BORDEN COMPANY
CENTRAL DIVISION

COMPARISON OF SELLING PRICES

	A & P Private Label	Homogenized Vitamin D Milk	
	Quart	Half-Gallon	Gallon
	Paper	Paper	Paper
Selling Prices in Effect - August 1965 In Metropolitan New York:			
Class I Price Per Cwt. Under Federal Order No. 2	\$ 5.36		
Excess of Metropolitan New York			
Class I Price Per Cwt. over Chicago-Calumet Class I Super- pool Price Per Cwt.			
\$5.36 - \$4.29 = \$1.07			
Converted to:			
Quarts	\$1.07 + 46.5 = \$.0230		
Half-Gallon	1.07 + 23.25 = .0460		
Gallon	1.07 + 11.625 = .0920		

Selling Prices in Effect - August 1965
In Metropolitan New York Adjusted
for Excess in Federal Order No. 2
Class I Price over Chicago-Calumet
Class I Price

Selling Price Quotation for Chicago,
Calumet Area

Class I Superpool Price Per Cwt. Represented by the Chicago-Calumet Quotation	\$ 4.29	
Excess of Chicago-Calumet Bid Quotation over Metropolitan New York August 1965 Selling Price as Adjusted		
		\$.0063
		(1) \$.0009

Item	Weekly Quarts	Excess of Bid Quotation Per Quart	Value
Quart Paper	40,668	\$.0107	\$ 425.15
Half-Gallon Paper	202,960	{ .0012 }	{ 233.41 }
Gallon Paper	57,204	.0016	90.10
Total	300,832		\$ 281.84

- (1) The Chicago-Calumet Bid Quotation is substantially
below increased delivery costs due to difference in
delivery areas. It will be subject to adjustment to
Union Contract requirements.

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	Quart Paper	Half-Gallon Paper	Gallon Paper
Class I Prices in Effect - August 1965 in Metropolitan New York	\$.1978	\$.3913	\$.7717
Class I Price Per Cwt. Under Federal Order No. 2	\$ 5.36		

Selling Prices in Effect - August 1965

In Metropolitan New York Adjusted
for Excess in Federal Order No. 2

Class I Price over Chicago-Calumet

Class I Price

Quart	\$1.07 + 46.5	= \$.0230
Half-Gallon	1.07 + 23.25	= .0460
Gallon	1.07 + 11.625	= .0920

Converted to:

Quarts	\$1.07 + 46.5	= \$.0230
Half-Gallon	1.07 + 23.25	= .0460
Gallon	1.07 + 11.625	= .0920

Selling Prices in Effect - August 1965

In Metropolitan New York Adjusted
for Excess in Federal Order No. 2

Class I Price over Chicago-Calumet

Class I Price

Selling Price Quotation for Chicago, Calumet Area	\$.1855	\$.3430	\$.6860
Class I Superpool Price Per Cwt. Represented by the Chicago-Calumet Quotation	\$ 4.29		
Excess of Chicago-Calumet Bid Quotation Over Metropolitan New York August 1965 Selling Price as Adjusted - Weighted on a Per Quart Basis:	\$.0107	\$ (.0023)	\$.0063

Excess of Chicago-Calumet Bid

Quotation Over Metropolitan New
York August 1965 Selling Price as
Adjusted - Weighted on a Per Quart Basis:

Item	Weekly Quarts	Excess of Fid Quotation Per Quart	Value
Quart Paper	40,668	\$.0107	\$ 425.15
Half-Gallon Paper	202,960	{.0012}	{233.41}
Gallon Paper	57,204	.0016	90.10
Total	300,832	-	\$ 281.84

Average Per Quart

(1) \$.0009

- (1) The Chicago-Calumet Bid Quotation is substantially
below increased delivery costs due to difference in
delivery methods and wage rates; both subject to
Union Contract Requirements.

8/4/65

3020

THE HORSEY COMPANY
CENTRAL DIVISION
WEEKLY ROUTE WAGE COST COMPARISON

		(Chicago-Calumet Route Wage Costs Based On:)	
	Item	New York	Chicago
	Dairy Sealed	Union	Union
	Union	Contract	Contract
	Contract	Local #753	Local #753
	Local #602	Tenement	Tenement
	Base Wage - Regular Routeman	\$ 89.95	\$ 134.10
"	" - Relief Routeman	18.79	28.22
"	" - Route Routeman	7.30	7.31
	Commissions	64.67	148.56
	Paid Holidays and Death Leave	3.30	1.63
	Paid Vacations	9.40	9.77
	Employer's Pension and Welfare Contributions	29.90	33.12
	Federal and State Payroll Taxes	7.41	9.88
	Workmen's Compensation Insurance	5.80	2.65
	Total Weekly Route Wage Cost	<u>\$ 236.52</u>	<u>\$ 375.26</u>
	Weekly Route Load in Points (Chicago Average)	<u>19,596</u>	<u>19,596</u>
	Average Route Wage Cost Per Point	<u>\$.0121</u>	<u>\$.0192</u>
	Increase Per Point of Chicago Route Wage Cost Over New York Dairy Sealed Route Wage Cost Related to Chicago Route Volume	(1) \$.0071	

- (1) This schedule is designed to show the increase in the wholesale route wage costs which result only from differences in Union Contract wage, commission rates, and employer's route wage costs based on similar volume loads.
- (1) It does not consider the further difference in the cost per point delivered which results from the differing methods possible under the union contracts in effect, health department regulations, and route load volume in the respective New York and Chicago markets.

EX-65

Memo - Re: A&P

Minkler, Fagerstrom & Malone went to see Bartels at
A&P office.

Purpose was to review with Bartels the results of the review made covering the elements of cost embracing the New York bid as compared with the Chicago Calumet bid.

Previous visits with Bartels by Minkler, Bartels indicated that there were substantial costs differences between N.Y. and Chicago and that he wanted such differences explained.

Appointment was for 2. P.M. and we saw Bartels about

2.10 P.M.

Minkler indicated to Bartels that possibly we could use their meeting rooms so that we could lay out the results of our review and also be undisturbed in our conference.

Bartels indicated that this was not possible due to pressure of time but he would listen to what we had to say and we retired to his office.

Minkler then proceeded to explain that we had made an exhaustive comparison of the cost elements involved in both markets and he would like to review a report comparison that had been prepared which outlined the various differences involved. Bartels cut this approach rather short indicating that he was not concerned about our costs as such compared with N.Y. or our problems - all he wanted to really know as a buyer, what was our price - that we were sure of our price and that he did not want to be in a position where we would come back and request another chance.

Minkler kept pressing that there were significant

668a

8/6/65

factors that had to be recognized in any comparison between the two markets - pointing out the various elements of cost required in the area of raw product costs to make a comparable review. Some discussion was held in this regard.

Minkler also pointed out that there was a significant

difference in route delivery costs between the two markets.

This led into a review of the difference of wage rates, both inside and outside employee and Bartels was shown the schedule disclosing the rates and percentage increase in Chicago over New York. Bartels inquired as to Woodstock plant, indicating that our indicated cost was the same as New York, and inquired as to why it should not be lower. In this regard it was pointed out to Bartels that there was a substantial wage rate differential. Also it was indicated that the productive output per manhour had increased and that plant costs presently were down 15%. Up to this point we had taken about 40 minutes of time and Bartels indicated that he had a pressing matter with Mr. Vogel(?)

Minkler left with Bartels a copy of the reconciliation report and Bartels indicated he would try to review same over the week end and would be in touch.

It was understood that Minkler and Bartels would meet on Monday and further discuss the matter.

RXIDB-1B
2/10/72

RX1DB-1H
60120

functions of the nervous system and the development of the brain - probably the most important of all the organs of the body. The brain is composed of two main parts, the cerebrum and the cerebellum, and the spinal cord. The cerebrum is the largest part of the brain, and it is divided into two halves, the left hemisphere and the right hemisphere. The cerebellum is smaller than the cerebrum, and it is located at the back of the brain, just above the spinal cord.

The brain is composed of billions of small, specialized cells called neurons. These neurons are interconnected by a complex network of fibers called synapses. The brain also contains many different types of glial cells, which provide support and nutrition for the neurons. The brain is surrounded by a protective layer called the meninges, which consists of three layers: the dura mater, the arachnoid, and the pia mater. The brain is also surrounded by a fluid called cerebrospinal fluid, which helps to cushion the brain and protect it from injury.

The brain is involved in many different functions, including the control of movement, the regulation of breathing, heart rate, and blood pressure, and the control of the autonomic nervous system. The brain is also involved in the control of the endocrine system, which produces hormones that regulate various physiological processes. The brain is also involved in the control of the immune system, which helps to defend the body against disease and infection.

25E

THE BORDEN COMPANY

CENTRAL DIVISIONWAGE RATE COMPARISON

	New York Local 602	Chicago Local 754	Increase Per Wk. . %
Pasteurizing Foreman	\$121.50	\$143.00	\$21.50 17.7
Pasteurizer	121.50	138.00	16.50 13.6
Weighmaster and Tester	121.50	131.50	10.00 8.2
General Utility	116.00	128.50	12.50 10.7
Paper Package Operators	115.00	135.00	20.00 17.4
Platform and Yard Men	120.50	128.50	8.50 7.1
Watchmen	109.00	128.50	17.50 16.1
Car Washers	116.00	128.50	12.50 10.7
Mechanics	123.00	151.60	28.60 23.2
Mechanic's Helpers	111.50	136.00	24.50 21.9
Route Rider	93.95	140.10	47.15 50.1
Route Foreman	146.00	146.20	.20
Routemen -- Base	89.95	134.10	44.15 49.1
Routemen -- Commission *	64.67	* 148.58	83.91 129.7

*Based on similar volume -- Chicago's Wholesale Average of 19,596 points per week.

Inside Workers Wage Cost approximates \$11,000 annually in Chicago.

Wholesale Route Driver Wages only approximate \$14,700 annually in Chicago.

Wholesale Route Wage Cost to Employer approximates \$19,500 annually in Chicago.

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642a 67

Aug 1911 -
Sight seen from
Bharatpur - KRS Ym - Kishan
Purana - Gurara - Gurdaspur -
Rajpura -

All recent skins seen by me were
from the Chambal River.

00271

33a

ZONE IChicago and Calumet Area

Prices as of May 8

643a

Commodity	Yearly Usage	Borden Label Unit Cost	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo Paper	773,327	.6772*	\$ 555,331	.6860	\$ 530,504	\$ 39,520
1/2 Gals. Homo	5,321,403	.3136	1,662,925	.3430	1,825,235	135,702
Qts. Homo	2,194,591	.2000	438,915	.1855	407,091	31,824
Qts. Chocolate	163,037	.2860	33,912	.2387	38,913	815
1/2 Gals. Buttermilk	331,344	.3136	105,929	.3350	111,000	11,096
Qts. Buttermilk	542,083	.2000	108,420	.1720	93,238	15,182
1/2 Gals. 2%	612,231	.3453	211,397	.3220	197,149	14,248
1/2 Gals. Skim	515,996	.3008	155,120	.3200	165,119	13,050
Qts. Skim	445,587	.1917	85,419	.1600	71,294	14,125
1/2 Pts. Whip Cream	256,481	.2510	65,659	.2700	69,250	9,443
Pts. Half & Half	1,577,403	.2984	393,720	.2600	410,125	60,579
			\$ 4,264,502 3,611,194		\$ 3,919,956	\$ 345,584

Penciled figures all Borden parts - all zones

B SRA

February 9, 1965

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price - 3.5% B.F.	\$ 4.2900
Market Administrator's Fee	.0200
Shrinkage 1%	.0045
Procurement, Bulk Tank Premiums Association Fees, Inner Zone Premiums, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk F.O.B. Our Plant	\$ 4.5645
To 3.4% B.F. Finished Product	<u>.0740</u>
Cost of 3.4% Finished Product	\$ 4.4905

MILK COST BY ITEMS

Quart	2.15 pounds x \$4.4905 per cwt.	\$.0966
Half Gallon	4.30 pounds x \$4.4905 per cwt.	1931
Gallon	8.60 pounds x \$4.4905 per cwt.	.3862

645a February 9, 1965.

CHICAGO-CALUMET AREAPrice Change Per Unit

(Related to the Present Announced Super Pool Class I Price of \$4.29 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price Per Unit</u>
.01	.0002
.02	.0004
.03	.0007
.04	.0009
.05	.0010
.06	.0013
.07	.0015
.08	.0017
.09	.0019
.10	.0021
.11	.0024
.12	.0026
.13	.0028
.14	.0030
.15	.0033
.16	.0035
.17	.0037
.18	.0039
.19	.0041
.20	.0043
.21	.0045
.22	.0048
.23	.0050
.24	.0052
.25	.0054
.26	.0056
.27	.0059
.28	.0061
.29	.0063
.30	.0065
.31	.0067
.32	.0069

<u>Price Change Per Unit</u>	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0095
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

February 9, 1965.

CHICAGO-CALUMET AREAPrice Change Per Unit

(Related to the Present Announced Super Pool Class I Price of \$4.29 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0283
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0343
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

February 9, 1965
 (Revised on August 13, 1965)

The Borden Company

Chicago-Calumet Area

General Quotation - A & P Private Label

(Related to the Present Announced Super Pool Class I Price of \$4.29)

	<u>Net for Borden Label</u>	<u>Net for A & P Private Label</u>
Homo V D Milk - Gal. Paper	\$.7371	\$.6860
Homo V D Milk - 1/2 Gal. Paper	.3685	.3430
Homo V D Milk - Quart Paper	.2000	.1855
2% - Gal. Paper	.6906	.6440
2% - 1/2 Gal. Paper	.3453	.3220
Vitamin Fortified Skim - 1/2 Gal. Paper	.3453	.3200
Vitamin Fortified Skim - Quart Paper	.1917	.1600
Half and Half - Pint Paper	.2984	.2600
Chocolate Milk - Quart Paper	.2437	.2387
Buttermilk - 1/2 Gal. Paper	.3685	.3350
Buttermilk - Quart Paper	.2000	.1720
Whipping Cream - 1/2 Pint Paper	.3068	.2700

In the above listing, we have not included half and half quarts, sour cream, sour half and half, sour cream dips, triple whip and yogurt. Production of these items under private label, in addition to our regular brand, adversely affects production costs substantially because the items are required in limited quantities.

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CHICAGO, CHICAGO SUBURBAN & CALUMET AREAS

Includes The Following Cities and Towns:

CHICAGO

Arlington Heights
Bellwood
Batesville
Bensenville
Berwyn
Blue Island
Brookfield
Chicago Heights
Chicago Ridge
Cicero
Des Plaines
Dolton
Dominick's Grove
Dundee
Elgin
Elmhurst
Evanston
Evergreen Park
Franklin Park
Glen Ellyn
Glenview
Harvey
Highland Park
Hinsdale
Homewood
La Grange

WILMETTE

Lake Bluff
Lake Forest
Libertyville
Maywood
Midlothian
Mt. Prospect
Naperville
Niles
Norridge
Northbrook
Oak Lawn
Oak Park
Palatine
Park Ridge
Richton Park
Riverside
Schaumburg
Skokie
St. Charles
Summit
Villa Park
Waukegan
Western Springs
Wilmette
Winnetka

EAST CHICAGO

Gary
Hometown
Robart

Portage
Munster
Whiting

Prices as of May 8

ZONE II
South Bend Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost</u>	<u>A & P Label Annual Cost</u>	<u>Differential Annual Basis</u>
Gals. Homo	129,272	.6305	\$ 81,501	.6090	\$ 78,884	\$ 2,617
1/2 Gals. Homo	493,064	.3203	147,574	.3080	152,412	5,495
Qts. Homo	97,431	.1694	16,501	.1630	15,929	572
Qts. Chocolate	10,400	.2166	2,253	.2156	2,253	-
1/2 Gals. Buttermilk	23,504	.3193	7,505	.3084	7,263	242
Qts. Buttermilk	29,276	.1687	4,940	.1550	4,541	399
1/2 Gals. 2%	101,781	.2965	30,177	.2800	28,600	1,577
1/2 Gals. Skim	21,216	.2852	6,050	.2600	5,529	521
Qts. Skim	11,371	.1601	1,820	.1555	1,768	52
1/2 Pts. Whip Cream	14,109	.2555	3,605	.2490	3,536	69
Pts. Half & Half	76,076	.2465	18,755	.2390	18,217	533

\$ 331,014
312,474

\$ 318,932

\$ 12,000

B-Exch 8

Schedule No. 1 - part 1

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILKPer Hundred Pounds

Producer Price 3.5% B.F.	\$4.3200
Market Administrator's Fee	.0200
Shrinkage	.0045
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>.2500</u>

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant	\$4.5945
To 3.4% B.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$4.5245</u>

MILK COST BY ITEMS

Quarts 2.15 pounds X \$4.5245 per cwt.	= \$.0973
Half Gallons 4.30 pounds X 4.5245 per cwt.	= .1946
Gallons 8.60 pounds X 4.5245 per cwt.	= .3891

Revised July 26, 1965The Borden CompanyGeneral Quotation - A & P Private Label(Related to Present Announced Superpool Class I Price of \$4.32 Per CWT.)Net Price for A & P Private Label Products
by Type and Method of Delivery

Private Label Products	3-Day	4-Day	5-Day	6-Day
	Per Wk. Drop Delv'y.	Per Wk. Drop Delv'y.	Per Wk. Drop Delv'y.	Per Wk. Drop Convent'l. Delivery.
Homo V.D. Milk - Gal. Paper	\$.6090	\$.6440	\$.6540	\$.6640
Homo V.D. Milk - 1/2 Gal. Paper	.3080	.3255	.3305	.3355
Homo V.D. Milk - Quart Paper 2% - 1/2 Gal. Paper	.1630	.1700	.1730	.1760
Vitamin Fortified Skim - 1/2 Gal. Paper	.2800	.2935	.2985	.3035
Vitamin Fortified Skim - Quart Paper	.2600	.2685	.2735	.2785
Half & Half - Pint Paper	.1555	.1648	.1678	.1708
Chocolate Milk - Quart Paper	.2390	.2420	.2450	.2480
Buttermilk - 1/2 Gal. Paper	.2156	.2456	.2486	.2516
Buttermilk - Quart Paper	.3084	.3289	.3339	.3389
Whipping Cream - 1/2 Pint Paper	.1550	.1620	.1650	.1680
	.2490	.2660	.2690	.2720

Prices apply to stores located in the geographical area subject to the terms of the Chicago Super Pool which are as follows:

Stores Receiving 3-Day Per Week Delivery:

South Bend (6 stores), Mishawaka,
Elkhart, Goshen, La Porte, Valparaiso,
Walkerton and Michigan City.

Stores Receiving 6-Day Per Week Delivery:

Chesterton, South Bend (1 store).

Stores Receiving 4-Day and 5-Day Per Week Delivery:

None

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Schedule No. 1 - Part 2

Revised July 26, 1965

Page 2

Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Revised July 26, 1965Price Change Per Unit

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price Per Unit</u>		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0067	.0134	.0268
.31	.0069	.0138	.0276
.32			

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Schedule No. 1 - Part 3

Page 2

Revised July 26, 1965

Price Change Per Unit

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per CWT.)

<u>Increase or Decrease per CWT.</u>	Increase or Decrease in Price		
	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

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Prices as of May 8

ZONE IIIRockford Joliet Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost</u>	<u>A & P Label Annual Cost</u>	<u>Differential Annual Basis</u>
Gals. Homo	50,353	.7305	\$ 36,781	.6960	\$ 35,048	\$ 1,733
1/2 Gals. Homo	251,507	.3645	78,873 91,676	.3480	87,533	4,143
Qts. Homo	63,076	.1907	10,698 12,029	.1810	11,423	606
Qts. Chocolate	13,919	.2403	2,895 3,345	.2330	3,241	104
1/2 Gals. Buttermilk	20,124	.3643	7,311 7,332	.3544	7,124	208
Qts. Buttermilk	30,957	.1893	4,557 5,859	.1810	5,599	260
1/2 Gals. 2%	97,725	.3347	32,708	.3230	31,564	1,144
1/2 Gals. Skim	25,116	.3306	7,555 8,303	.3080	7,731	572
Qts. Skim	15,600	.1789	2,546 2,791	.1695	2,652	139
1/2 Pts. Whip Cream	29,588	.2882	7,575 8,528	.2813	8,320	208
Pts. Half & Half	58,725	.2807	14,658 16,484	.2570	15,097	1,387
			\$ 225,836 196,019		\$ 215,332	\$ 10,504

Schedule No. 2 - Part 1.

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.0000
Market Administrator's Fee	.0200
Shrinkage	.0043
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.2743
To 3.4% B.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$4.2043</u>
 <u>MILK COSTS BY ITEMS</u>	
Quarts 2.15 pounds X \$4.2043 per cwt.	= \$.0904
Half Gallons 4.30 pounds X 4.2043 per cwt.	= .1808
Gallons 8.60 pounds X 4.2043 per cwt.	= .3616

Schedule No. 2 - Part 2Revised July 26, 1965The Borden CompanyGeneral Quotation - A & P Private Label

(Related to Present Announced Superpool Class I Price of \$4.00 Per CWT.)

Net Price for A & P Private Label Products
by Type and Method of Delivery

Private Label Products	3-Day	4-Day	5-Day	6-Day
	Per Wk.	Per Wk.	Per Wk.	Per Wk.
	Drop	Drop	Drop	Convent'l.
Homo V.D. Milk - Gal. Paper	\$.6410	\$.6760	\$.6860	\$.6960
Homo V.D. Milk - 1/2 Gal. Paper	.3205	.3380	.3430	.3480
Homo V.D. Milk - Quart Paper	.1680	.1750	.1780	.1810
2% - 1/2 Gal. Paper	.2995	.3130	.3180	.3230
Vitamin Fortified Skim - 1/2 Gal. Paper	.2895	.2980	.3030	.3080
Vitamin Fortified Skim - Quart Paper	.1542	.1635	.1665	.1695
Half & Half - Pint Paper	.2480	.2510	.2540	.2570
Chocolate Milk - Quart Paper	.1970	.2270	.2300	.2330
Buttermilk - 1/2 Gal. Paper	.3239	.3444	.3494	.3544
Buttermilk - Quart Paper	.1680	.1750	.1780	.1810
Whipping Cream - 1/2 Pint Paper	.2583	.2753	.2783	.2813

Prices apply to stores located in the geographical area subject to the terms of the Rockford Superpool which are as follows:

Stores Receiving 6-Day Per Week Delivery:

Lockport, Aurora (2 stores), Joliet (6 stores), Rockford (5 stores), Freeport and Loves Park.

Stores Receiving 3-Day - 4-Day - or 5-Day Per Week Delivery:

None

Schedule No. 2 - Part 2

Revised July 26, 1965

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Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Revised July 26, 1965Price Change Per Unit(Related to the Present Announced Rockford Super Pool Class I Price
of \$4.00 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0206
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0061	.0122	.0244
.28	.0063	.0126	.0252
.29	.0065	.0130	.0260
.30	.0067	.0134	.0268
.31	.0069	.0138	.0276
.32			

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Schedule No. 2 - Part 3
Page 2

Revised July 26, 1965

Price Change Per Unit

(Related to the Present Announced Rockford Super Pool Class I Price
of \$4.00 per CWT.)

<u>Increase or Decrease per CWT.</u>	Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

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ZONE IV

Prices as of May 3

Miscellaneous Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost (Average)</u>	<u>A & P Label Annual Cost</u>	<u>Differential Annual Basis</u>
Gals. Homo	158,479	.6866	\$ 108,819	.6546	\$ 103,740	\$ 5,079
1/2 Gals. Homo	723,095	.3501	226,163	.3286	237,623	15,565
Qts. Homo	141,908	.1837	24,068	.1708	24,232	1,837
Qts. Chocolate	23,487	.2325	4,865	.2118	4,975	485
1/2 Gals. Buttermilk	30,264	.3580	9,491	.3316	10,036	797
Qts. Buttermilk	52,468	.1843	9,672	.1721	9,031	641
1/2 Gals. 2%	124,193	.3232	40,144	.3045	37,821	2,323
1/2 Gals. Skim	30,663	.3273	10,036	.2945	9,031	1,005
Qts. Skim	27,109	.1707	4,628	.1567	4,247	381
1/2 Pts. Whip Cream	48,967	.2917	12,536	.2623	12,844	1,439
Pts. Half & Half	156,381	.2742	39,033	.2462	38,497	4,386
			\$ 526,015		\$ 492,077	\$ 33,938
			474106			

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Schedule No. 3 - Part 1.

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

Per Hundred Pounds

Producer Price 3.5% B.F. \$3.7600

Market Administrator's Fee .0200

Shrinkage .0041

Procurement, Bulk Tank Premiums,
Association Fees, etc. .2500

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant \$4.0541

To 3.4% B.F. Finished Product .0700

Cost of 3.4% Finished Product \$3.9841

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9841 per cwt. = \$.0857

Half Gallons 4.30 pounds X 3.9841 per cwt. = .1713

Gallons 8.60 pounds X 3.9841 per cwt. = .3426

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Revised July 26, 1965The Borden CompanyGeneral Quotation - A & P Private Label

(Related to the Announced Class I Price Under Federal Order
No. 30 of \$3.78 Per CWT.)

Net Price for A & P Private Label Products
by Type and Method of Delivery

<u>Private Label Products</u>	3-Day		4-Day		5-Day		6-Day	
	Per Wk.	Drop	Per Wk.	Drop	Per Wk.	Drop	Per Wk.	Drop
	<u>Delv'Y.</u>		<u>Delv'Y.</u>		<u>Delv'Y.</u>		<u>Delv'Y.</u>	
Homo V.D. Milk - Gal. Paper	\$ 6216	\$ 6566	\$ 6666	\$ 6766				
Homo V.D. Milk - 1/2 Gal. Paper	.3108	.3283	.3333	.3383				
Homo V.D. Milk - Quart Paper	.1644	.1714	.1744	.1774				
2% - 1/2 Gal. Paper	.2898	.3033	.3083	.3133				
Vitamin Fortified Skim - 1/2 Gal. Paper	.2798	.2883	.2933	.2983				
Vitamin Fortified Skim - Quart Paper	.1474	.1567	.1597	.1627				
Half & Half - Pint Paper	.2414	.2444	.2474	.2504				
Chocolate Milk - Quart Paper	.1934	.2234	.2264	.2294				
Buttermilk - 1/2 Gal. Paper	.3078	.3283	.3333	.3383				
Buttermilk - Quart Paper	.1644	.1714	.1744	.1774				
Whipping Cream - 1/2 Pint Paper	.2484	.2654	.2684	.2714				

Prices apply to stores located in the geographical area subject to the announced Class I milk prices under Federal Order No. 30, (which Class I milk prices are not subject to producer "superpool" payments) which stores are as follows:

Stores Receiving 3-Day Per Week Delivery:

Manteno	Momence	St. Anne's	Gilmor	La Salle
Marseilles	Ottawa	Streator	Pontiac	Princeton
Spring Valley	Sandwich	Piano	Lacon	Minonk
Culver	Knox	North Judson	Galena	Warren

Stores Receiving 4-Day Per Week Delivery:

None

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Revised July 26, 1965Page 2Stores Receiving 5-Day Per Week Delivery:

Belvidere	Marengo	DeKalb
Rochelle	Polo	Mt. Morris
Dixon		

Stores Receiving 6-Day Per Week Delivery:

Woodstock	McHenry
Fox Lake	Antioch
Kankakee (2 stores)	Wauconda
Pecatonica	Crystal Lake
Wilmette	Zion

Drop Delivery recognizes store door deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns except products inferior in quality and packaging at time of delivery.

Schedule No. 3 - Part 3Revised July 26, 1965Price Change Per Unit

(Related to the Federal Order No. 30 Announced Class I Price
of \$3.78 per CWT.)

<u>Increase or Decrease per CWT.</u>	<u>Increase or Decrease in Price</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0023
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Schedule No. 3 - Part 3
Page 2

Revised July 26, 1965

Price Change Per Unit

(Related to the Federal Order No. 30 Announced Class I Price
of \$3.78 per CWT.)

Increase or
Decrease per CWT.

	Increase or Decrease per CWT.	Per Quart	Per Half Gallon	Per Gallon
	.33	.0072	.0144	.0288
	.34	.0074	.0148	.0296
	.35	.0076	.0152	.0304
	.36	.0078	.0156	.0312
	.37	.0080	.0160	.0320
	.38	.0082	.0164	.0328
	.39	.0085	.0170	.0340
	.40	.0067	.0174	.0343
	.41	.0089	.0178	.0356
	.42	.0091	.0182	.0364
	.43	.0093	.0186	.0372
	.44	.0095	.0190	.0380
	.45	.0098	.0196	.0392
	.46	.0100	.0200	.0400

Increase or Decrease in Price
Per Unit

	Increase or Decrease in Price Per Unit	Per Quart	Per Half Gallon	Per Gallon
	.33	.0144	.0288	.0576
	.34	.0148	.0296	.0592
	.35	.0152	.0304	.0608
	.36	.0156	.0312	.0624
	.37	.0160	.0320	.0640
	.38	.0164	.0328	.0656
	.39	.0170	.0340	.0672
	.40	.0174	.0343	.0686
	.41	.0178	.0356	.0700
	.42	.0182	.0364	.0712
	.43	.0186	.0372	.0720
	.44	.0190	.0380	.0736
	.45	.0196	.0392	.0752
	.46	.0200	.0400	.0768

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ZONE VRock Island Area

Commodity	Yearly Usage	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	148,911	.6066	\$ 90,324	.5872	\$ 87,447	\$ 2,877
1/2 Gals. Homo	255,840	.3712	80,385	.2938	75,175	2,461
Qts. Homo	106,652	.1795	19,144	.1661	17,715	520
Qts. Chocolate	15,600	.2054	3,016	.1883	2,947	69
Qts. Buttermilk	28,617	.1714	5,243	.1666	4,767	138
1/2 Gals. 2%	87,013	.2743	23,868	.2646	23,019	847
1/2 Gals. Skim	37,613	.2627	10,577	.2531	9,516	364
Qts. Skim	22,585	.1665	3,760	.1523	3,432	121
1/2 Pts. Whip Cream	23,157	.2886	6,683	.2671	6,188	104
Pts. Half & Half	86,216	.2605	21,077	.2399	20,679	398
			\$ 258,786 275,329		\$ 250,885	\$ 7,901

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Schedule No. 4 - Part 1

Revised
July 26, 1965.

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price - 3.5% B.F.	\$3.6800
Market Administrator's Fee	.0200
Milk Foundation and City Health Inspection Fee	.0200
Waste	.0040
Premiums	<u>.1000</u>

Total Cost of 3.5% Raw Milk

F.O.B. Our Plant	\$4.0240
To 3.4% B.F. Finished Product	<u>.0720</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$3.9520</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9520	= \$.0850
Half Gallons 4.30 pounds X 3.9520	= .1699
Gallons 8.60 pounds X 3.9520	= .3398

Schedule No. 4 - Part 2

Revised July 26, 1965

The Borden Company

General Quotation - A & P Private Label

(Related to the Announced Class I Price Under Federal Order No. 63 or \$3.88 per cwt)

Net Price for A & P Private Label Products
by Type and Method of Delivery

<u>Private Label Products</u>	<u>3-Day Per Wk.</u>	<u>4-Day Per Wk.</u>	<u>5-Day Per Wk.</u>	<u>6-Day Per Wk.</u>
	<u>Drop Deliv'y.</u>	<u>Drop Deliv'y.</u>	<u>Drop Deliv'y.</u>	<u>Conventional Delivery</u>
Momo V. D. Milk - Gal. paper	.5872	.6222	.6322	.6422
Momo V. D. Milk - 1/2 Gal. paper	.2938	.3113	.3163	.3213
Momo V. D. Milk - Quart Paper	.1661	.1731	.1761	.1791
2% - 1/2 Gal. Paper	.2646	.2781	.2831	.2881
Vitamin Bosterized Skim Milk-1/2 Gal.	.2532	.2616	.2666	.2716
Vitamin Bosterized Skim " Qt.-Paper	.1523	.1616	.1646	.1676
Fruit and Egg Nellie - Pint Paper	.2399	.2429	.2459	.2489
Chocolate Milk - Quart Paper	.1883	.2183	.2213	.2243
Buttermilk - Quart Paper	.1665	.1736	.1766	.1796
Whipping Cream - 1/2 Pint Paper	.2671	.2841	.2871	.2901

Prices apply to stores in the geographical area subject to the announced Class I Milk prices under Federal Order No. 63, (which Class I Milk prices are not subject to producer "Super Pool" payments) which stores are as follows:

<u>Stores Receiving 3 Day Per Week Delivery</u>	<u>Stores Receiving 4 Day or 6 Day Delivery</u>
Genesee Keweenaw Laramie Moline (2 Stores)	None.
Mt. Carroll Rock Island Savannah Sterling	
Touion Gainesburg (2 Stores) Clinton Davenport (2 Stores)	

Drop Delivery recognizes store-to-store deliveries - no in-store service; no special deliveries and no returns except products inferior in quality and quantity and packaging at the time of delivery.

Conventional Delivery recognizes full service delivery; no special deliveries and no returns, except products inferior in quality and packaging at time of delivery.

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Schedule No. 4 - Part 3Revised July 26, 1965Price Change Per Unit

(Related to the Federal Order No. 63 Announced Class I Price
of \$3.86 per CWT.)

Increase or Decrease per CWT.	Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0006
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0116	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0256
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Schedule No. 4 - Part 3
Page 2

Revised July 26, 1965

Price Change Per Unit

(Related to the Federal Order No. 63 Announced Class I Price
of \$3.88 per CWT.)

Increase or Decrease in Price

<u>Increase or Decrease Per CWT.</u>	<u>Per Quart</u>	<u>Per Unit</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0288	
.34	.0074	.0148	.0296	
.35	.0076	.0152	.0304	
.36	.0078	.0156	.0312	
.37	.0080	.0160	.0320	
.38	.0082	.0164	.0328	
.39	.0085	.0170	.0340	
.40	.0087	.0174	.0348	
.41	.0089	.0178	.0356	
.42	.0091	.0182	.0364	
.43	.0093	.0186	.0372	
.44	.0095	.0190	.0380	
.45	.0098	.0196	.0392	
.46	.0100	.0200	.0400	

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ZONE I

Prices as of May 2

Chicago and Calumet Area

Commodity	Yearly Usage	Borden Label Unit Cost	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Margin
Gals. Homo Paper	773,327	.7371	\$ 570,024	.6860	\$ 530,504	\$ 39,520
1/2 Gals. Homo	5,321,403	.3685	1,960,937	.3430	1,826,235	135,702
Qts. Homo	2,194,591	.2000	438,915	.1855	407,091	31,824
Qts. Chocolate	163,037	.2437	39,728	.2387	38,913	815
1/2 Gals. Buttermilk	331,344	.3685	122,096	.3350	111,000	11,096
Qts. Buttermilk	542,083	.2000	108,420	.1720	93,238	15,182
1/2 Gals. 2%	612,231	.3453	211,397	.3220	197,149	14,248
1/2 Gals. Skim	515,996	.3453	178,169	.3200	165,119	13,050
Qts. Skim	445,587	.1917	85,419	.1600	71,294	14,125
1/2 Pts. Whip Cream	256,481	.3068	78,693	.2700	69,250	9,443
Pts. Half & Half	1,577,403	.2984	470,704	.2600	410,125	60,579

\$ 4,264,502
 395,927 Lbs.
 (177,000 lbs.)
 5/35 033

\$ 3,919,956 \$ 345,584

W.H. [Signature]

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South Bend Area

Prices as of May 8

Commodity	Yearly Usage	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label 3 day	A & P Label 6 day	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	129,272	.6305	\$ 81,501	3 day	.6090	\$ 78,884	\$ 2,617
				6 day	.6640		
1/2 Gals. Homo	493,064	.3203	157,907	3 day	.3080	152,412	5,495
				6 day	.3355		
Qts. Homo	97,431	.1694	16,501	3 day	.1630	15,929	572
				6 day	.1760		
Qts. Chocolate	10,400	.2166	2,253	3 day	.2156	2,253	-
				6 day	.2516		
1/2 Gals. Buttermilk	23,504	.3193	7,505	3 day	.3084	7,263	242
				6 day	.3389		
Qts. Buttermilk	29,276	.1687	4,940	3 day	.1550	4,541	399
				6 day	.1680		
1/2 Gals. 2%	101,781	.2965	30,177	3 day	.2800	28,600	1,577
				6 day	.3035		
1/2 Gals. Skim	21,216	.2852	6,050	3 day	.2600	5,529	521
				6 day	.2785		
Qts. Skim	11,371	.1601	1,820	3 day	.1555	1,768	52
				6 day	.1708		
1/2 Pts. Whip Cream	14,109	.2555	3,605	3 day	.2490	3,536	69
				6 day	.2720		
Pts. Half & Half	76,076	.2465	18,755	3 day	.2390	18,217	5
				6 day	.2480		

\$ 331,014

\$ 318,932

\$

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ZONE III

Prices as of May

Rockford Joliet Area

<u>Commodity</u>	<u>Yearly Usage</u>	Borden Label <u>Unit Cost</u> (Average)	Borden Label <u>Annual Cost</u>	A & P Label <u>Unit Cost</u>	A & P Label <u>Annual Cost</u>	<u>Differential</u> <u>Annual Basis</u>
Gals. Homo	50,353	.7305	\$ 36,781	.6900	\$ 35,048	\$ 1,733
1/2 Gals. Homo	251,507	.3645	91,676	.3480	87,533	4,143
Qts. Homo	63,076	.1907	12,029	.1810	11,423	606
Qts. Chocolate	13,919	.2403	3,345	.2330	3,241	104
1/2 Gals. Buttermilk	20,124	.3643	7,332	.3544	7,124	208
Qts. Buttermilk	30,957	.1893	5,859	.1810	5,599	260
1/2 Gals. 2%	97,725	.3347	32,708	.3230	31,564	1,144
1/2 Gals. Skim	25,116	.3306	8,303	.3080	7,731	572
Qts. Skim	15,600	.1789	2,791	.1695	2,652	139
1/2 Pts. Whip Cream	29,588	.2882	8,528	.2813	8,320	208
Pts. Half & Half	58,725	.2807	16,484	.2570	15,097	1,387
			\$ 225,836		\$ 215,332	\$ 10,504

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ZONE IV

Prices as of May 8

Miscellaneous Area

<u>Commodity</u>	<u>Yearly Usage</u>	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label Unit Cost (Average)	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	158,479	.6866	\$ 108,819	.6546	\$ 103,740	\$ 5,079
1/2 Gals. Homo	723,095	.3501	253,188	.3286	237,623	15,565
Qts. Homo	141,908	.1837	26,069	.1708	24,232	1,837
Qts. Chocolate	23,487	.2325	5,460	.2118	4,975	485
1/2 Gals. Buttermilk	30,264	.3580	10,833	.3316	10,036	797
Qts. Buttermilk	52,468	.1843	9,672	.1721	9,031	641
1/2 Gals. 2%	124,193	.3232	40,144	.3045	37,821	2,323
1/2 Gals. Skim	30,663	.3273	10,036	.2945	9,031	1,005
Qts. Skim	27,109	.1707	4,628	.1567	4,247	381
1/2 Pts. Whip Cream	48,967	.2917	14,283	.2623	12,814	1,439
Pts. Half & Half	156,381	.2742	42,883	.2462	38,497	4,396
			\$ 526,015		\$ 492,077	\$ 33,938

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prices as of May 8.

676a

ZONE VRock Island Area

Commodity	Yearly Usage	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	148,911	.6066	\$ 90,324	.5872	\$ 87,447	\$ 2,877
1/2 Gals. Homo	255,810	.3035	77,636	.2938	75,175	2,461
Qts. Homo	106,652	.1710	18,235	.1661	17,715	520
Qts. Chocolate	15,600	.1933	3,016	.1883	2,947	69
Qts. Buttermilk	28,617	.1714	4,905	.1666	4,767	138
1/2 Gals. 2%	87,013	.2743	23,868	.2646	23,019	849
1/2 Gals. Skim	37,613	.2627	9,880	.2531	9,516	364
Qts. Skim	22,585	.1573	3,553	.1523	3,432	121
1/2 Pts. Whip Cream	23,157	.2717	6,292	.2671	6,188	104
Pts. Half & Half	86,216	.2445	21,077	.2399	20,679	398
			\$ 258,786		\$ 250,885	\$ 7,901

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0/13/65

CX 374

677a

THE BORDEN COMPANY
CENTRAL DIVISION

Summary of Decreased A & P Private Label Cost

Area 1	\$345,584
Area 2	12,082
Area 3	10,504
Area 4	33,938
Area 5	<u>7,901</u>
Total	\$410,009

678a

ZONE 1Chicago and Calumet Area

Commodity	Yearly Usage	Borden Label Unit Cost	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo Paper	773,327	.7371	\$ 570,024	.6860	\$ 530,504	\$ 39,520
1/2 Gals. Homo	5,321,403	.3685	1,960,937	.3430	1,825,235	135,702
Qts. Homo	2,194,591	.2000	438,915	.1855	407,091	31,824
Qts. Chocolate	163,037	.2437	39,728	.2387	38,913	815
1/2 Gals. Buttermilk	331,344	.3685	122,096	.3350	111,000	11,096
Qts. Buttermilk	542,083	.2000	108,420	.1720	93,238	15,182
1/2 Gals. 2%	612,231	.3453	211,397	.3220	197,149	14,248
1/2 Gals. Skim	515,996	.3453	178,169	.3200	165,119	13,050
Qts. Skim	445,587	.1917	85,419	.1600	71,294	14,125
1/2 Pts. Whip Cream	256,481	.3068	78,693	.2700	69,250	9,443
Pts. Half & Half	1,577,403	.2984	470,704	.2600	410,125	60,579
			\$ 4,264,502		\$ 3,919,956	\$ 345,584

37 B

679a

ZONE II
South Bend Area

Prices as of May 8

<u>Commodity</u>	<u>Yearly Usage</u>	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label 3 day 6 day	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	129,272	.6305	\$ 81,501	3 day 6 day	.6090 .6640	\$ 78,884	\$ 2,617
1/2 Gals. Homo	493,064	.3203	157,907	3 day 6 day	.3080 .3355	152,412	5,495
Qts. Homo	97,431	.1694	16,501	3 day 6 day	.1630 .1760	15,929	572
Qts. Chocolate	10,400	.2166	2,253	3 day 6 day	.2156 .2516	2,253	-
1/2 Gals. Buttermilk	23,504	.3193	7,505	3 day 6 day	.3084 .3389	7,263	242
Qts. Buttermilk	29,276	.1687	4,940	3 day 6 day	.1550 .1680	4,541	399
1/2 Gals. 2%	101,781	.2965	30,177	3 day 6 day	.2800 .3035	28,600	1,577
1/2 Gals. Skim	21,216	.2852	6,050	3 day 6 day	.2600 .2785	5,529	521
Qts. Skim	11,371	.1601	1,820	3 day 6 day	.1555 .1708	1,768	52
1/2 Pts. Whip Cream	14,109	.2555	3,605	3 day 6 day	.2490 .2720	3,536	69
Pts. Half & Half	76,076	.2465	18,755	3 day 6 day	.2390 .2480	18,217	533
			\$ 331,014			\$ 318,932	\$ 12,082

68ca

ZONE III

Prices as of May 8

Rockford Joliet Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost</u>	<u>A & P Label Annual Cost</u>	<u>Differential Annual Basis</u>
Gals. Homo	50,353	.7305	\$ 36,781	.6960	\$ 35,048	\$ 1,733
1/2 Gals. Homo	251,507	.3645	91,676	.3480	87,533	4,143
Qts. Homo	63,076	.1907	12,029	.1810	11,423	606
Qts. Chocolate	13,919	.2403	3,345	.2330	3,241	104
1/2 Gals. Buttermilk	20,124	.3643	7,332	.3544	7,124	208
Qts. Buttermilk	30,957	.1893	5,859	.1810	5,599	260
1/2 Gals. 2%	97,725	.3347	32,708	.3230	31,564	1,144
1/2 Gals. Skim	25,116	.3306	8,303	.3080	7,731	572
Qts. Skim	15,600	.1789	2,791	.1695	2,652	139
1/2 Pts. Whip Cream	29,588	.2882	8,528	.2813	8,320	208
Pts. Half & Half	58,725	.2807	16,484	.2570	15,097	1,387
			\$ 225,836		\$ 215,332	\$ 10,504

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ZONE IV

Prices as of May 8

Miscellaneous Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost (Average)</u>	<u>A & P Label Annual Cost</u>	<u>Differentiation Annual Basis</u>
Gals. Homo	158,479	.6866	\$ 108,819	.6546	\$ 103,740	\$ 5,079
1/2 Gals. Homo	723,095	.3501	253,188	.3286	237,623	15,565
Qts. Homo	141,908	.1837	26,069	.1708	24,232	1,837
Qts. Chocolate	23,487	.2325	5,460	.2118	4,975	485
1/2 Gals. Buttermilk	30,264	.3580	10,833	.3316	10,036	797
Qts. Buttermilk	52,468	.1843	9,672	.1721	9,031	641
1/2 Gals. 2%	124,193	.3232	40,144	.3045	37,821	2,323
1/2 Gals. Skim	30,663	.3273	10,036	.2945	9,031	1,005
Qts. Skim	27,109	.1707	4,628	.1567	4,247	381
1/2 Pts. Whip Cream	48,967	.2917	14,283	.2623	12,844	1,439
Pts. Half & Half	156,381	.2742	42,883	.2462	38,497	4,386
			\$ 526,015		\$ 492,077	\$ 33,938

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ZONE V

Prices as of May 2

Rock Island Area

<u>Commodity</u>	<u>Yearly Usage</u>	<u>Borden Label Unit Cost (Average)</u>	<u>Borden Label Annual Cost</u>	<u>A & P Label Unit Cost</u>	<u>A & P Label Annual Cost</u>	<u>Differential Annual Basis</u>
Gals. Homo	148,911	.6066	\$ 90,324	.5872	\$ 87,447	\$ 2,877
1/2 Gals. Homo	255,840	.3035	77,636	.2938	75,175	2,461
Qts. Homo	106,652	.1710	18,235	.1661	17,715	520
Qts. Chocolate	15,600	.1933	3,016	.1883	2,947	69
Qts. Buttermilk	28,617	.1714	4,905	.1666	4,767	138
1/2 Gals. 2%	87,013	.2743	23,868	.2646	23,019	849
1/2 Gals. Skim	37,613	.2627	9,880	.2531	9,516	364
Qts. Skim	22,585	.1573	3,553	.1523	3,432	121
1/2 Pts. Whip Cream	23,157	.2717	6,292	.2671	6,188	104
Pts. Half & Half	86,216	.2445	21,077	.2399	20,679	398
			\$ 258,786		\$ 250,885	\$ 7,901

683a

CX 42 A

THE BORDEN COMPANY

CENTRAL DIVISION

Estimate of Gross Profit Loss

Re: Chicago Metropolitan Region's Operation

Based on Loss of A & P's Fluid Milk Business

Total A & P Fluid Milk Point Sales - 6th Period

3,356,772

Total Gross Margin Contribution Per Point -

Wholesale Route Sales .0632

(Based on analysis made 5th period)

Deduct: Estimated Reduction in Direct Cost if A & P
Volume Was Lost

Route Salesmen's Salaries & Commission .0171

Route Salesmen's Fringe Benefits .0037

Loading Expense .0051

Truck Expense .0049

Total Direct Cost Reduction Per Point .0308

Estimated Reduction in Gross Profit Per Point .0324

Estimate Amount of Reduction in Gross Profit

(3,356,772 x \$.0324 =) \$108,759

Add: Loss in Plant Fixed Cost Absorption

(3,356,772 x \$.00636 - Woodstock Fixed Cost) 21,349

Total Estimated Reduction in Gross Profit

\$130,108

x 12 months

\$1,691,404

Note: The estimated reduction in gross profit indicated above is the equivalent of \$1,691,404 annually, which compares to the private label price reduction quoted of \$410,009.

684a

8/16/65

THE BORDEN COMPANY
CENTRAL DIVISION

COMPARISON OF CLASS I BASIC MILK PRICE PER CWT.

JUNE - AUGUST, 1965

<u>Area and Order No.</u>	<u>June</u>	<u>August</u>	<u>Increase</u>
Chicago - Federal Order 30 - Superpool Area	\$4.32	\$4.32	
Chicago - Federal Order 30 - Non-Superpool Area	3.78	4.17	.39
Rockford - Federal Order 38 - Superpool	4.00	4.09	.09
Milwaukee - Federal Order 39 - Superpool	4.20	4.20	
Milwaukee - Federal Order 39 - Non-Superpool	3.66	4.05	.39
Rock Island - Federal Order 63 - Non-Superpool	3.88	4.27	.39
Marshalltown - Federal Order 78 - Non-Superpool	3.83	4.22	.39
Des Moines - Federal Order 79 - Non-Superpool	4.17	4.56	.39

6853

8/16/65

THE BORDEN COMPANY
CENTRAL DIVISION

ANALYSIS OF PRODUCTION EXPENSE
WOODSTOCK, ILLINOIS PLANT

5TH PERIOD - 1965

	Total	Allocated to	
		Variable	Fixed
Wage Costs	\$107,273	\$ 75,975	\$31,298
All Other Costs	69,905	19,759	50,146
Total	\$177,178	\$ 95,734	\$81,444
Per Cent to Total	100.00	54.03	45.97 ✓
Points Produced	12,809,895		
Average Per Point Produced	.01383	.00747	.00536

696a

8/16/65

THE BORDEN COMPANY
CENTRAL DIVISION

DATA - RE: A & P SALES - FLUID MILK
BASED ON 6TH PERIOD ENDED JUNE 26

(1) Percentage of A & P Sales to
Total Sales - Central Division - Points Sold

Region	Central Division Sales			Percent of A&P		
	Total A&P	Grand Volume	Total	Wholesale	Rte. Sales Only	To:
				Grand	Grand	WholeSale Total Rte. Sales
Chicago Metropolitan	3,356,772	13,291,969	(1) 6,027,418	25.2	55.7	
Eastern Iowa-Central Illinois	743,085	4,248,423	2,580,398	17.5	28.8	
Western Iowa	9,618	3,254,249	771,840	.3	1.2	
Wisconsin	851,751	8,755,366	3,536,438	9.7	24.1	
Grand Total	4,961,226	29,550,007	12,916,094	16.8	38.4	

(1) Excludes bulk route sales of 1,209,267 points.

(2) Percentage of A & P Sales Produced at Woodstock to Total Woodstock Production - Points	3,199,956
Total Woodstock Production	12,622,679
Percent of A & P Sales Produced at Woodstock to Total Woodstock Production	25.3%



687a

Mr. E. R. Schmidt
Buyer
The Great Atlantic & Pacific Tea Co., Inc.
Middle West Division
2622 North Pulaski Road
Chicago, Illinois 60639

EXCUTIVE OFFICES: 251 NORTH WELLS STREET CHICAGO, ILLINOIS 60606

TELEPHONE 312: 645-6222

August 31, 1965

Dear Mr. Schmidt:

Mr. E. R. Schmidt, Buyer
The Great Atlantic & Pacific Tea Co., Inc.
Middle West Division
2622 North Pulaski Road
Chicago, Illinois 60639

Dear Mr. Schmidt:

Thank you for the opportunity to offer our price quotations according to your specifications. They are attached herewith for the following areas on fluid milk products only. (Cottage Cheese, separate.)

These quotations were developed by our accountants on an estimated total dollar volume of approximately one million dollars per month (26 delivery days) using Chicago list prices. A substantial increase or decrease in the size of your order (compared to the assumption of dollar volumes set forth above) would affect these prices and I would appreciate an opportunity to discuss with you a) the areas involved b) the dollar volume, and c) the resultant prices.

AREA:

1. Metropolitan Chicago
2. Northwestern Illinois
3. North Central Illinois
4. Indiana
5. Iowa

Each bid on the above areas consists of the following substantiating materials:

1. Map Indicating Location of Stores
2. Cost plus Pricing Schedule for the Bowman Label and the A & P Label Brands
3. Standard Direct Product Cost - Chicago Plant
4. Selling and Delivery Expenses - Per Month Day

Enclosed - J. C. G.

FLORIDA: ST. PETERSBURG • NEW YORK: NEW YORK • NEW YORK
• MICHIGAN: SAULT STE. MARIE, CLEVELAND, CINCINNATI, DETROIT, GRAND RAPIDS, TOLEDO, KALAMAZOO, TRINITY,
• OHIO: CLEVELAND, CINCINNATI, COLUMBUS, DAYTON, KNOXVILLE, NASHVILLE, MEMPHIS, NEW ORLEANS, BIRMINGHAM, ATLANTA, JACKSONVILLE, TAMPA, MIAMI

B
Mr. E. R. Schmidt

688a

August 31, 1965

These price quotations would only change as follows:

1. Increase or decrease in Federal Fluid Milk Market Order.
2. Increase or decrease in container costs.
3. Labor increases.

Costs not considered in these quotations are as follows:

1. Return of out-dated or sour merchandise.
2. Merchandising of stores and point-of-sale materials.
3. Call-backs (straight-line delivery service only was considered).

I am enclosing a history of the period of time that we served the A & P Company. This substantiates that we contributed to A & P's progress for the last eleven years that we had the privilege of servicing your stores.

We are looking forward to a resumption of business with your fine corporation in the very near future.

Sincerely,

Frank T. Cannon Jr.

Frank T. Cannon, Sr.
General Manager - Wholesale

FTC:rt
enc.

PRICE ESCALATION ON MILK ORDER PRICES

689a

Chicago area prices are quoted on the basis of the present Order Number 30 price plus a super pool which totals \$4.32 per CWT. for 3.5% Class I Milk Products.

Iowa area prices are quoted on the basis of Order Number 63 price plus a super pool which totals \$4.37 per CWT. for 3.5% Class I Milk Products.

Each change of 5 cents per CWT. will increase or decrease quoted prices by 1/8 cent per point for each product.

In the event that stores are served in areas where there is no Federal Milk Order or where the super pool price is not effective, we will adjust quoted prices in that area.

LABOR PRICES

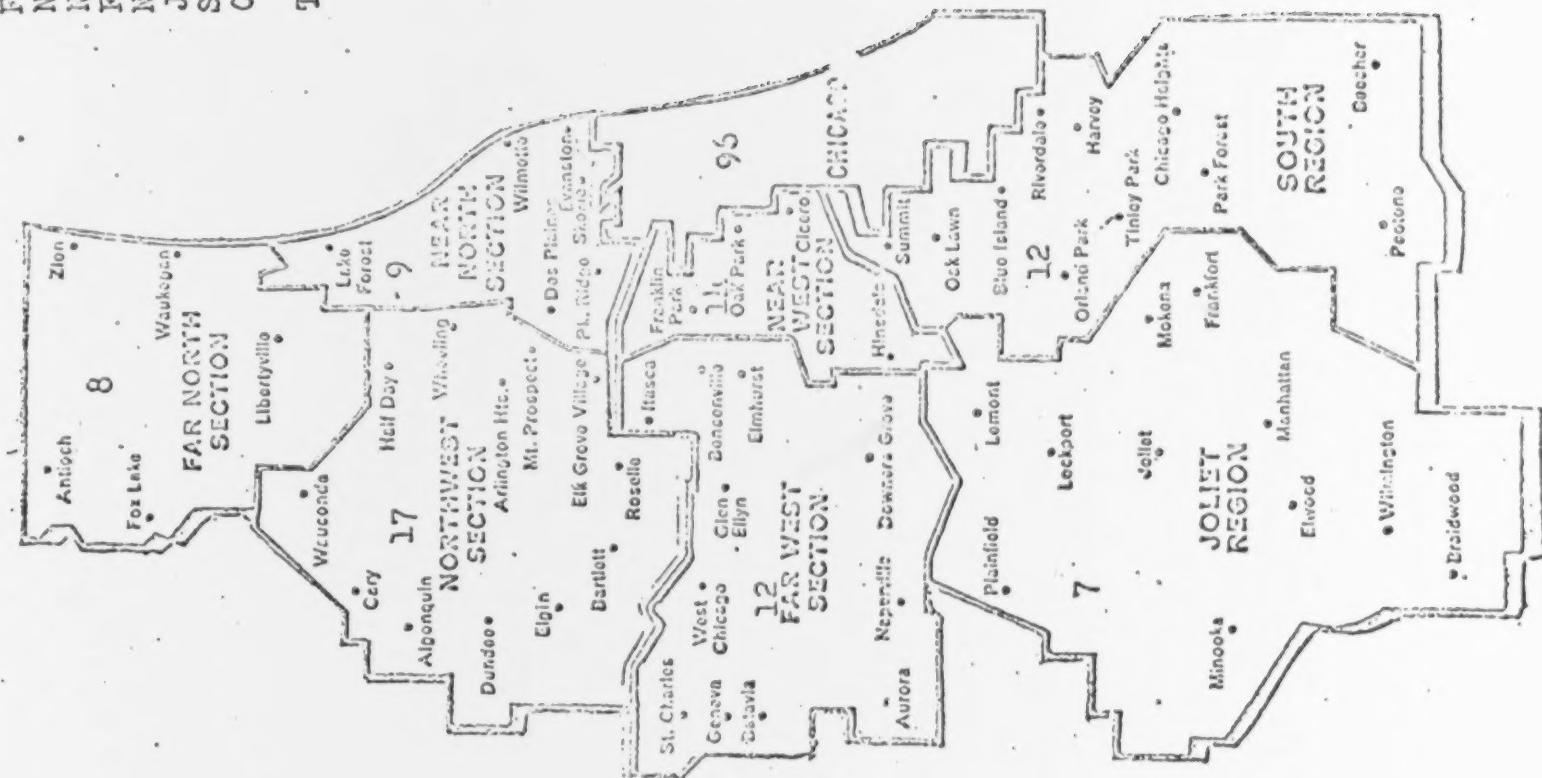
Quoted prices will be adjusted for any changes in Union labor rates or changes in Federal Payroll taxes.

Container Costs

Quoted prices will be adjusted for any changes in the purchase cost for containers used.

METROPOLITAN CHICAGO AREA

Total	SESSION	STOCKS
96	South	Chilego
12	Jodlote	Southern
7	Mader West	Jodlote
14	West	Mader
12	Montevideo	West
9	Northern	Montevideo
17	Northeast	Northern
8	Central	East



**STORES IN
METROPOLITAN CHICAGO AREA**

<u>NEAR WEST REGION</u>	<u>FAR WEST REGION</u>	<u>JOLIET REGION</u>	<u>TOTAL</u>
BERWYN	AURORA	2	2
BROOKFIELD	BATAVIA	1	1
CICERO	BENSENVILLE	1	1
FRANKLIN PARK	DOWNERS GROVE	1	1
LA GRANGE	ELMHURST	1	1
MAYWOOD	GLEN ELLYN	1	1
NORRIDGE	LOMBARD	1	1
OAK PARK	NAPERVILLE	1	1
WESTERN SPRINGS	ST. CHARLES	1	1
	VILLA PARK	1	1
	WHEATON	1	1
	TOTAL		14

<u>SOUTH REGION</u>	<u>CHICAGO REGION</u>	<u>TOTAL</u>
BLUE ISLAND	1	1
CHICAGO HTS.	2	2
CHICAGO RIDGE	1	1
DOLTON	1	1
EVERGREEN PARK	1	1
HARVEY	1	1
HOMELAND	1	1
MIDLOTHIAN	1	1
OAK LAWN	1	1
RICHMOND PARK	1	1
SUMMIT	1	1
TOTAL	<u>12</u>	<u>12</u>

NORTHERN MICHIGAN SCHOOLS IN SECTION II

Crystal Lake	
Warren	
Freeport	
Pecatonica	
Rockford	
Loves Park	
Belvidore	
Marengo	
Woodstock	
Mchenry	
Mt. Carroll	
Lanark	
Mt. Morris	
Polo	
Sterling	
Dixon	
Rochelle	
DeKalb	
Mendota	
Sandwich	
Total	24



NORTH CENTRAL ILLINOIS

Gilmanton
Kankakee
Manteno
LaSalle
Ottawa
Pontiac
Streator
Momence
Wilmington
Marseilles
Minonk
St. Anne
Toulon
Lacon
Spring Valley
Princeton

12 13 14 15 16 17



436 - 5131165

EXHIBIT A

JET PRICES - METROPOLITAN CHICAGO - NORTHWESTERN AND NORTH CENTRAL ILLINOIS

695a

STORE SERVICE SIX DAYS WEEKLY

393 33	SCHEDULE I	MARKUP *	NET PRICE AT CHICAGO AREA PLANT	DIRECT VANISHING COST TO SALES AREA	Direct Cost of delivery per point	COMMISSION	NET DELIVERED PRICE SIX DAY RT.
	DIRECT COST FOB CHICAGO AREA PLANT						
L. HOMO. V.D.	.1302	.0081	.1383	.0025	.0206	.0082	.1676
GAL. HOMO. V.D. (GLASS)							
GAL. HOMO. V.D. (FIBER)	.2390	.0119	.2509	.0051	.0412	.0164	.3136
L. HOMO. V.D. - GLASS	.4402	.0257	.4654	.0146	.0824	.0328	.5952
XL. HOMO. V.D. - FIBER	.4878	.0141	.5019	.0101	.0824	.0328	.6272
S. FOW-CAL							
. SOURED HALF & HALF	.23.815	.0275	.2660	.0028	.0206	.0082	.2976
. HALF & HALF	.7014	.0180	.7194	.0014	.0206	.0082	.7476
S. RICH CREAM							
. RICH CREAM							
LPT. RICH CREAM							
S. WHIP CREAM							
LPT. WHIP CREAM	.2083	.0180	.2263	.0009	.0206	.0082	.2510
CLICK-W.HIP* DISPENSER	.2742	.0353	.3095	.0009	.0206	.0082	.3512
DDI WHIP* DISPENSER	.4075	.0178	.4253	.0009	.0206	.0082	.4950
DELI WHIP* 10D - PTS.	.1445	.0109	.1554	.0014	.0206	.0082	.1816
L. SOUR CREAM	.3001	.0375	.3376	.0112	.0412	.0161	.4014
2 PTS. SOUR CREAM /	.1436	.0250	.1736	.0056	.0206	.0082	.2030
2 GAL. BUTTERMILK	.7259	.0250	.7509	.0051	.0412	.0164	.3136
S. BUTTERMILK	.1003	.0156	.1159	.0025	.0206	.0082	.1472
S. DARI-RICH /	.1617	.0150	.1767	.0025	.0206	.0082	.2080
2 PTS. DARI-RICH CARRY PACK							
2 PTS. CHOCOLATE SHAKE	.0591	.0095	.0686	.0009	.0057	.0021	.0714
2 GAL. STA-FIT SF. r.	.2131	.0250	.2381	.0051	.0412	.0161	.3008
L. STA-FIT SF. m	.1163	.0156	.1319	.0025	.0206	.0082	.1622
2 GAL. 2%	.21052	.0211	.2317	.0051	.0412	.0164	.2944
2 GURT (Plain & Strawberry)	.1425	.0006	.1431	.0009	.0206	.0082	.1728
NACK DIP - 50Z.	.2458	.0045	.2503	.0009	.0206	.0082	.2800

CLASS I PRICE - 4.32 PER CWT.

* Overhead & profit (approx 6%)

36-8-31-65
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SCHEDULE 1

H
STANDARD DIRECT PRODUCT COSTS - CHICAGO PLANTS.

	RAW MERCHANDISE COST FOB CHICAGO PLANT	BOTTLING PLANT LABOR AND EXPENSE	CONTAINERS	TOTAL DIRECT COSTS FOB CHICAGO PLANT
QTS. HOMO. V.D.	.0926	.0154	.0162	.1302
1/2 GAL. HOMO. V.D. (GLASS)				
1/2 GAL. HOMO. V.D. (FIBER)	.1971	.0129	.0290	.2390
GAL. HOMO. V.D. - GLASS	.3942	.0279	.0181	.41102
GAL HOMO V.D - FIBER	.3942	.0221	.0615	.41876
QTS. LOW-CAL				
PTS. SOURED HALF & HALF	.1202	.0690	.0493	.2385
PTS. HALF & HALF	.1201	.0698	.0115	.2014
QTS. RICH CREAM				
PTS. RICH CREAM				
1/2 PT. RICH CREAM				
QTS. WHIP CREAM				
1/2 PT. WHIP CREAM	.1489	.0505	.0089	.2083
"QUICK-WHIP" DISPENSER	.2717	.0025	-	.2742
"REDDI WHIP" DISPENSER	.11050	.0025	-	.11075
13.0513N BLEND PINTS	.1420	.0035	-	.1445
PTS. SOUR CREAM	.1666	.0704	.0431	.3001
1/2 PTS. SOUR CREAM	.0133	.0305	.0248	.1476
1/2 GAL. BUTTERMILK	.13.01	.0668	.0200	.2259
QTS. BUTTERMILK	.06.51	.0190	.0162	.1003
QTS. DARI-RICH	.1043	.0012	.0162	.16.17
1/2 PTS. DARI-RICH CARRY PACK				
1/2 PTS. CHOCOLATE SHAKE	.0403	.0089	.0099	.0591
1/2 GAL. STA-FIT	.1312	.0529	.0290	.2131
QT. STA-FIT	.0156	.0345	.0162	.1163
1/2 GAL. 2%	.1672	.01916	.0290	.2106
YOGURT (Plain & Strawberry)	.1400	.0025	-	.1425
SNACK DIP - 8 oz	.2433	.0025	-	.2458

CATEGORY II PRICE - 14.32 PER QNT.

INDIANA STORESWEST

Whiting	1
Hammond	3
Munster	1
E. Chicago	1
Gary	6
Michigan City	1
Portage	1
Hobart	1
Valparaiso	1
Chesterton	1
<hr/>	

18.EAST

North Judson	1
La. Porto	1
Walkerton	1
Knox	1
South Bend	8
Culver	1
Mishawaka	1
Elkhart	2
Goshen	1
<hr/>	

17.

4-36 - 5/31/65

EXHIBIT 15

698a

NET PRICES - INDIANA AREA
STORES SERVICE THREE, DADS WEEKLY

SCHEDULE I DIRECT COST FOB CHICAGO AREA PLANT	MARKUP	NET PRICE AT CHICAGO AREA PLANT	DIRECT VANISHING COST TO SALES AREA	Direct Cost of delivery per point	Commission	NET DELIVERED PRICE - THREE DAYS WEEKLY
GTS. HONO. V.D.	.130.2	.00.01	.130.3	.02555	.0134	.00.52
1/2 GAL. HONO. V.D. (GLASS)						.16.24
1/2 GAL. HONO. V.D. (FIBER)	.23.92	.0119	.25.09	.0112	.0268	.29.93
GAL. HONO. V.D. - GLASS	.115.02	.0153	.1654	.0321	.0536	.3719
GAL. HONO. V.D. - FIBER	.115.28	.0161	.5019	.0321	.0536	.59.84
GTS. LOW-CAL						
P/S. SOURDO HALF & HALF	.23.85	.02215	.266.9	.0061	.0134	.29.07
P/S. HALF & HALF	.2014	.0180	.2194	.0061	.0134	.24.54
GTS. RICH CREAM						
P/S. RICH CREAM						
1/2 PT. RICH CREAM						
GTS. WHIP CREAM						
1/2 PT. WHIP CREAM	.2083	.0180	.2263	.0070	.0134	.0052
QUICK-WHIP DISPENSER	.2702	.0353	.3085	.0220	.0134	.33.01
STICK WHIP DISPENSER	.4102	.0178	.4253	.0120	.0134	.44.69
1/2 PT. WHIP CREAM - P/S.	.144.5	.0109	.15511	.0031	.0134	.1771
P/S. SOUR CREAM	.3001	.0325	.3376	.0183	.0210	.34.31
1/2 P/S. SOUR CREAM	.1486	.0250	.1736	.0117	.0134	.20.39
1/2 GAL. BUTTERMILK	.22.59	.0250	.2509	.0112	.0210	.29.89
GTS. BUTTERMILK	.1003	.0151	.1159	.0055	.0134	.0552
GTS. DARI-RICH	.1617	.0152	.1767	.02555	.0134	.14.20
1/2 P/S. DARI-RICH CARRY PACK						
1/2 P/S. CHOCOLATE SHAKE	.0591	.0050	.0686	.0020	.0034	.0013
1/2 GAL. STA-FIT	.31.31	.0352	.33.81	.0112	.0201	.32.65
GT. STA-FIT	.1153	.0666	.1319	.0055	.0134	.08.80
1/2 GAL. 2%	.2106	.0211	.2317	.0112	.0210	.156.0
YOGURT (Plain & Strawberry)	.14.25	.0006	.1431	.0020	.0134	.2104
SNACK DIP - 8 oz.	.2451	.0165	.2503	.0020	.0134	.0052
						.16.37
						.2709

CLASS II PRICE - 4.32 per CWT.

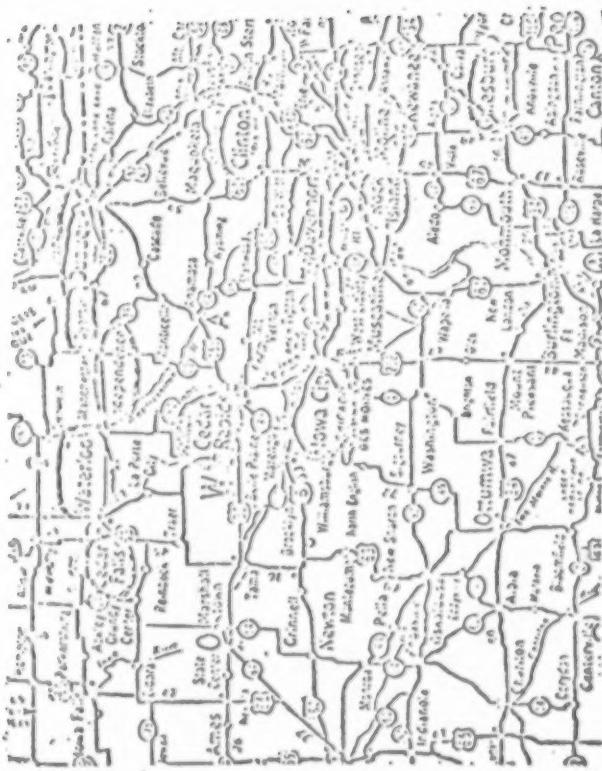
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6982-1

AREA MAP E

**STORES IN
IOWA REGION**



699^a

Last column represents grants
on Cr P

Bluff of opposite \$3,000 - private
Label & Cr P
Admin & other skin skins

15

N

— 9/23/65

EXHIBIT C-1

IOWA AREA — 3 DAY DELIVERY

LIST COMPANY BRAND	PRICE PRIVATE LABEL	NET	PRICE		
			COMPANY BRAND	PRIVATE LABEL	
QTS. HOMO. V.D.	.25	.2425	.1850	.1795	,1624
1/2 GAL. HOMO. V.D. (GLASS)					
1/2 GAL. HOMO. V.D. (FIBER)	.45	.4350	.3330	.3219	,2993
GAL. HOMO. V.D. — GLASS	.80		,5920		,5719
GAL. HOMO. V.D. — FIBER	.90	.87	,6660	,6438	,5934
QTS. BOW-CAL					
PTS. SOURED HALF & HALF	.14		,3256		,2907
PTS. HALF & HALF	.35		,2590		,2441
QTS. RICH CREAM					
PTS. RICH CREAM					
1/2 PT. RICH CREAM					
QTS. WHIP CREAM					
1/2 PT. WHIP CREAM	.40	.39	,2960	,2886	,2469
"QUICK-WHIP" DISPENSER					
"FEODI WHIP" DISPENSER					
GALS 2.90 - FIBER	.84	.81	.6216	.5994	,5544
PTS. SOUR CREAM	.55		,4070		,3931
1/2 PTS. SOUR CREAM	.31		,2294		,2039
1/2 GAL. BUTTERMILK					
QTS. BUTTERMILK	.255	.145	,1887	,1832	,1400
QTS. DARI-RICH WHOLE MILK	.285	.2125	,2109	,2054	,1881
1/2 PTS. DARI-RICH CARRY PACK					
1/2 PTS. CHOCOLATE SHAKE					
1/2 GAL. STA-FIT	.395	.38	,2923	,2812	,2865
QT. STA-FIT	.23	.225	,1702	,1665	,1560
1/2 GAL. 2%	.42	.405	,3108	,2997	,2801
YOGURT (Plain & Strawberry)	.255		,1887	,1728	,1637
SNACK DIP 8 OZ.					
DISSEGINGO 1/2 GAL FRUIT DR	.37		,2738	,2709	,2442

Milk Order Price . 4.27 per cwt

Super Pool .10

36 - 8/31/65

EX-11

IOWA AGENT - 100% MILK BOTTLED

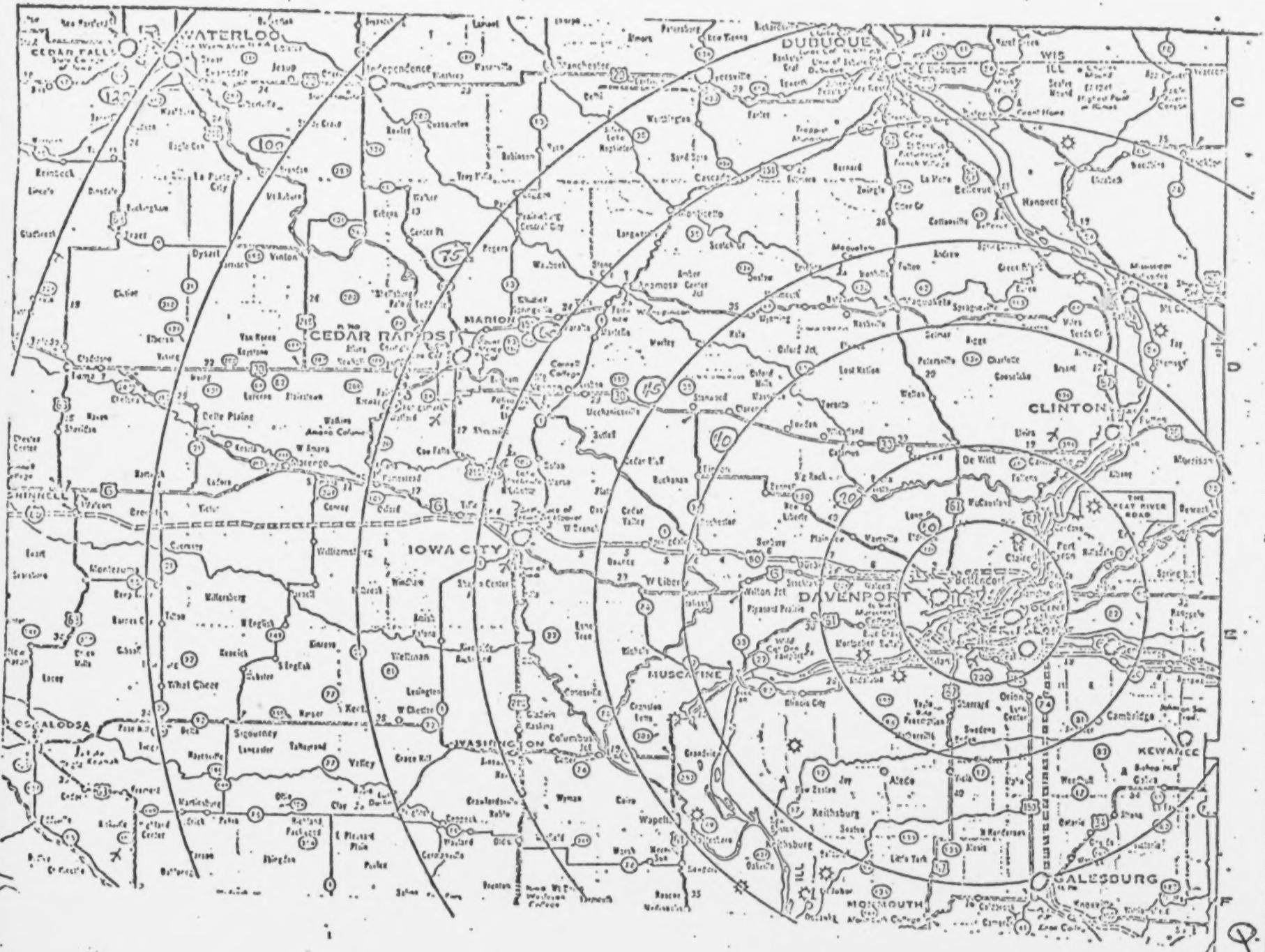
BOWMAN DAIRY COMPANY PRICES, ON FILE WITH THE IOWA MILK COMMISSION

701a

	LIST COMPANY BRAND	PRICE PRIVATE LABEL		NET	PRICE
				COMPANY BRAND	PRIVATE LABEL
QTS. HOMO. V.D.	.25	.2425		.1850	.1745
1/2 GAL. HOMO. V.D. (GLASS)					
1/2 GAL. HOMO. V.D. (FIBER)	.45	.4350		.3350	.3219
GAL. HOMO. V.D. - GLASS	.80			.5920	
GAL. HOMO. V.D. - FIBER	.90	.87		.6660	.6425
QTS. BOW-CAL					
PTS. SOURED HALF & HALF	.14			.3256	
PTS. HALF & HALF	.35			.2590	
QTS. RICH CREAM					
PTS. RICH CREAM					
1/2 PT. RICH CREAM					
QTS. WHIP CREAM					
1/2 PT. WHIP CREAM	.40	.39		.2960	.2886
"QUICK-WHIP" DISPENSER					
"REDDI WHIP" DISPENSER					
GALS 2% - FIBER	.84	.81		.6216	.5911
PTS. SOUR CREAM	.55			.4070	
1/2 PTS. SOUR CREAM	.31			.2294	
1/2 GAL. BUTTERMILK					
QTS. BUTTERMILK	.255	.2425		.1887	.1820
QTS. DARI-RICH - WHOLE MILK	.285	.2725		.2109	.2051
1/2 PTS. DARI-RICH CARRY PACK					
1/2 PTS. CHOCOLATE SHAKE					
1/2 GAL. STA-FIT	.395	.38		.2612	.2517
QT. STA-FIT	.23	.225		.1702	.1661
1/2 GAL. 2%	.42	.405		.3108	.2997
YOGURT (Plain & Strawberry)	.255			.1857	
SNACK DIP					
5.5% 1/2 GAL FRUIT DR	.37			.2738	
QTS. STRAWBERRY DRINK					
PKGS. CREAM COTTAGE CHEESE - 8 OZ.					
PKGS. CREAM COTT. CHS. - 16 OZ.					
PKGS. CREAM COTT. CHS. - 32 OZ.					
PKGS. CHIVE COTT. CHS. - 16 OZ.					
PKGS. PINEAPPLE COTT. CHS. 16 OZ.					
PKGS. BAKERS COTT. CHS. - 16 OZ.					
SNACK DIP 8 OZ.					
1/2 GAL. FRUIT DRINKS					

MILK ORDER PRICE
SUPER POOL4.27 per
.10

IOWA AREA MAP E-1



36 - 8/31/65

EXHIBIT D

703a

NET DELIVERED PRICES.

	STANDARD LIST PRICE TO CHAIN STORE	NET PRICE		
		ALL STORES	70% OF STORES	50% OF STORES
QTS. HOMO. V.D.	.265	.1696	.1742	.1749
1/2 GAL. HOMO. V.D. (GLASS)				
1/2 GAL. HOMO. V.D. (FIBER)	.49	.3136	.3222	.3234
GAL. HOMO. V.D. - GLASS	.93	.5952	.6115	.6138
GAL. HOMO. V.D. - FIBER	.98	.6272	.6444	.6468
QTS. EOW-CAL				
PTS. SOURED HALF & HALF	.165	.2976	.3057	.3059
PTS. HALF & HALF	.39	.2406	.2564	.2574
QTS. RICH CREAM				
PTS. RICH CREAM				
1/2 PT. RICH CREAM				
QTS. WHIP CREAM				
1/2 PT. WHIP CREAM	.10	.2560	.2630	.2640
"QUICK-WHIP" DISPENSER	.53	.3392	.3485	.3493
"RECOI WHIP" DISPENSER X	.535	.4550	.4550	.4550
PTS. BOYSON BLEND	.29	.1856	.1907	.1914
PTS. SOUR CREAM	.635	.4064	.4175	.4191
1/2 PTS. SOUR CREAM	.325	.2080	.2137	.2145
1/2 GAL. BUTTERMILK	.49	.3136	.3222	.3234
QTS. BUTTERMILK	.23	.1472	.1512	.1518
QTS. DARI-RICH	.325	.2080	.2137	.2145
1/2 PTS. DARI-RICH CARRY PACK				
1/2 PTS. CHOCOLATE SHAKE	.12	.0768	.0789	.0792
1/2 GAL. STA-FIT	.67	.3098	.3090	.3102
QT. STA-FIT	.255	.1632	.1677	.1683
1/2 GAL. 2%	.66	.2944	.3025	.3036
YOGURT (Plain & Strawberry)	.27	.1723	.1775	.1782
SNACK DIP - 8 oz X	.40	.2300	.2300	.2800

CLASS I PRICE - 4.32 per CWT

R

BOWMAN DAIRY COMPANY

704a

CHAIN STORE PRICE LIST EFFECTIVE January 27, 1965

Price List Number

Garden State
N.J.

ITEMS	CHAIN STORE		For Billing Purposes Only	
	Wholesale	Retail	Wholesale	Retail
Qts. Homo V.D.	\$2.25	\$2.50		
1/2 Gal. Homo V.D. (Glass)	\$2.25	\$2.50		
1/2 Gal. Homo V.D. (Fiber)	\$2.25	\$2.50		
Gal. Homo V.D. (Glass)	\$2.50	\$3.00		
Gal. Homo V.D. (Fiber)	\$2.50	\$3.00		
Pts. Sour Half & Half	\$2.25	\$2.50		
Pts. Half & Half	\$2.25	\$2.50		
Pts. Rich Cream	\$2.25	\$2.50		
1/2 Pts. Rich Cream	\$2.25	\$2.50		
1/2 Pts. Whipping Cream	\$2.25	\$2.50		
"Quick-Wip" Dispenser	\$2.25	\$2.50		
"Reddit-Wip" Dispenser	\$2.25	\$2.50		
"Top-Wip" Dispenser	\$2.25	\$2.50		
Pts. Sour Cream	\$2.25	\$2.50		
1/2 Pts. Sour Cream	\$2.25	\$2.50		
1/2 Gal. Buttermilk	\$2.25	\$2.50		
Qts. Buttermilk	\$2.25	\$2.50		
Qts. Choc. Drink	\$2.25	\$2.50		
1/2 Pts. Choc. Shake	\$2.25	\$2.50		
1/2 Gal. Sta-Fit	\$2.25	\$2.50		
Qts. Sta-Fit	\$2.25	\$2.50		
1/2 Gal. 2%	\$2.25	\$2.50		
Yogurt (Plain)	\$2.25	\$2.50		
Yogurt (Strawberry)	\$2.25	\$2.50		
Qts. Egg Nog (Glass)				
Qts. Egg Nog (Fiber)				
Egg Nog Mix 8 oz				
1/2 Gal. Fruit Drink				
Qts. Orange Drink				
Pkg. Cream Cottage Cheese 8 oz.	\$2.25	\$2.50		
Pkg. " " 16 oz.	\$2.25	\$2.50		
Pkg. Chive " 16 oz.	\$2.25	\$2.50		
Pkg. Pineapple " 16 oz.	\$2.25	\$2.50		
Pkg. Bakers " 16 oz.	\$2.25	\$2.50		
Pkg. Cream " 32 oz.	\$2.25	\$2.50		
Thermo Mugs	\$2.25	\$2.50		
Snack Dip	\$2.25	\$2.50		

Items Having Price Change Since Last Notification Are Marked "X"

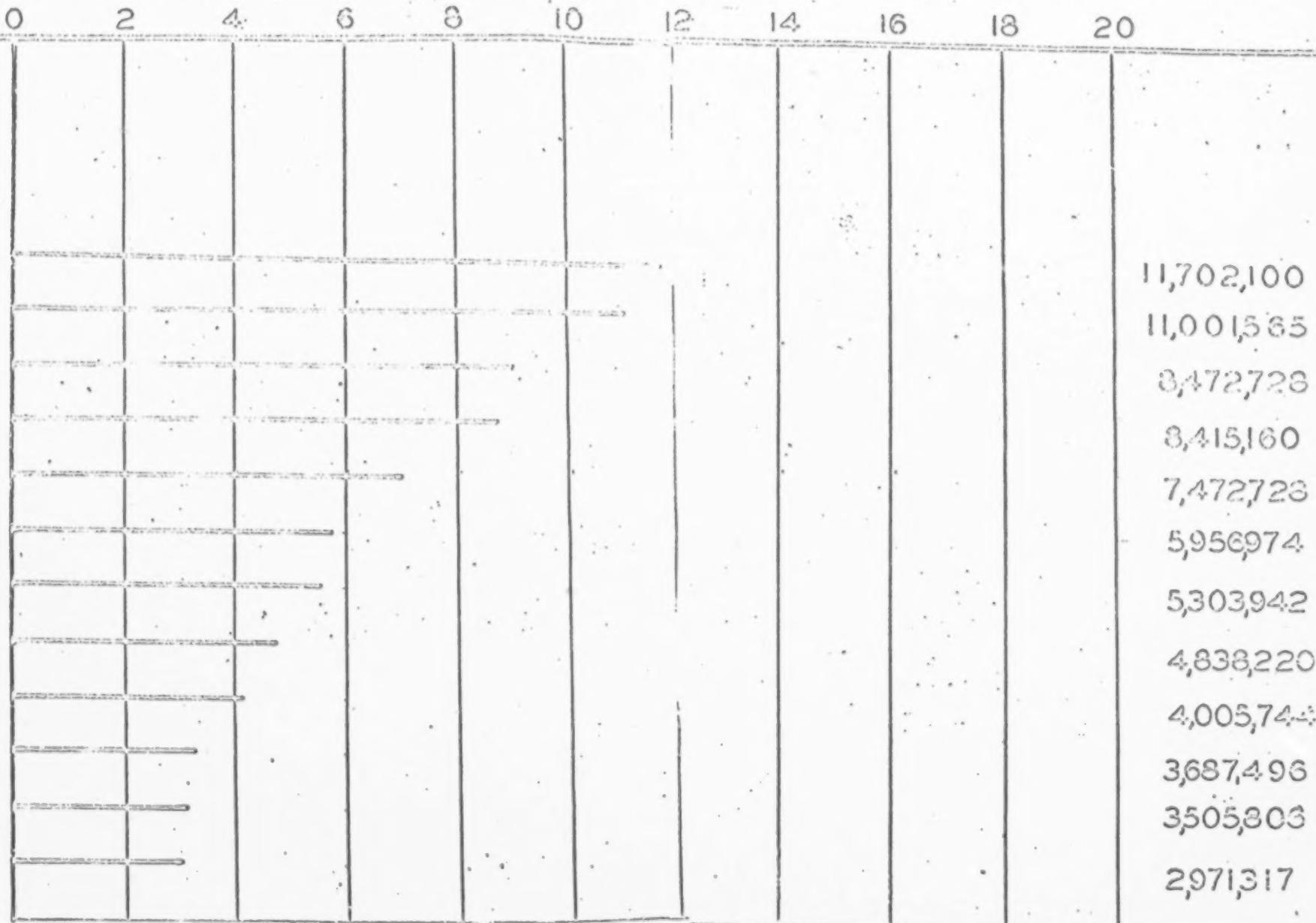
C. 26

MILK

705a

2 MILLION QUARTS TO THE INCH

QUARTS



GALLONS JUGS & GALLONS CONVERTED TO QUARTS

23

TOTAL UNITS SOLD

FOR 13 PERIOD OR 52 WEEKS

Acme Rich lot
 bought from Brown
 for \$1.00

YEAR	MILK	CREAM	BUTTERMILK	TOTAL	COTTAGE CHEESE
1957	11,702,100	3,510,298	654,201	15,866,599	6,223,824
1956	11,001,565	3,603,192	540,657	15,150,414	6,316,580
1955	8,940,443	3,103,356	455,527	12,409,326	5,911,713
1954	8,415,160	2,734,004	4176	11,533,340	5,430,932
1953	7,472,728	2,435,627	2,193,29	10,257,695	4,726,240
1952	5,956,974	2,143,939	3,217,27	8,422,640	4,192,391
1951	5,303,942	2,104,218	3,227,43	7,730,903	3,856,381
1950	4,838,220	2,132,793	1,964,79	7,167,492	3,867,012
1949	4,005,744	1,952,051	1,733,49	6,131,144	3,582,106
1948	3,687,496	1,905,284	1,384,27	5,731,207	3,230,242
1947	3,505,806	1,830,276	1,401,62	5,476,244	2,086,226
1946	2,971,317	1,528,855	1,193,40	4,619,512	2,496,078

7072

COTTAGE CHEESE

1 MILLION POUNDS TO
THE INCH

POUNDS

0

2

3

4

5

6

7

8

9

10

1957										6,228,824
1956										6,316,580
1955										5,911,715
1954										5,430,932
1953										4,725,240
1952										4,192,391
1951										3,856,381
1950										3,867,012
1949										3,582,106
1948										3,230,242
1947										2,806,226
1946										2,496,078

223

CX 53 A

136

Dear Jack Bach
Schmid
2 otherquarts

Burnan } both substantially
 Mengel } below Barlowe.

No help from A+P on these comp. factors

Spec ~~possible~~ information we
 do - if cost of \$5000⁰⁰ would
 not come close.

of spread elements our cost
 would be \$ 9000

We are getting other bid
 " G. Bach and figure and what
 the access is worth - I you"

209a

53 B

Can wait until after
Labor day

54 A

9/15

PT: 4.7 - ~~Printed~~ and
Presentation of Estimated Cost Data
and Comparison of Unit
Costs with Best Available

7108

From

سی و پنجمین

The Photo Company

7/165

711a

54 B

712a

September 14, 1965.

THE BORDEN COMPANY
Central Division

Price Quotation Data covering
A & P Private Label Fluid Milk Products
in
A & P Areas No. 1, 2, 3, 4 & 5.

713a

THE BORDEN COMPANY
Central Division

9-14-65

Summary of Estimated Annual Quotation Differentials

<u>Area</u>	<u>Annual Value for Borden Label</u>	<u>Annual Value for A & P Label</u>	<u>Annual Quotation Differential</u>
Zone #1-Chicago and Calumet	\$5,134,934	\$4,428,008	\$706,926
Zone #2-South Bend Area	331,043	307,522	23,521
Zone #3-Rockford-Joliet Area	225,236	199,635	26,201
Zone #4-Miscellaneous Area	525,969	470,809	55,160
Zone #5-Rock Island Area	273,254	265,057	8,197
Total	<u>\$6,491,036</u>	<u>\$5,671,031</u>	<u>\$820,005</u>

9-14-65

714a

THE BORDEN COMPANY
Central Division

Estimated Annual Quotation Differentials - Zone #1 (Chicago-Calumet)

<u>Item</u>	<u>Size</u>	Annual	Borden Label	Annual	A&P Label	Annual Value	Annual.
		Usage In Units	Unit Prices	Value for Week 5-8-65	Unit	for Borden Label Quotations	Differential
Homo V.D. Milk	Glass Gallons	999,752	.6981	\$697,927	.6060	\$605,850	\$92,077 ✓
2%	Glass Gallons	265,390	.6500	172,504	.5580	148,088	24,416 ✓
Homo V.D. Milk	Paper Gallons	773,327	.7371	570,019	.6460	499,569	70,450
Homo V.D. Milk	Paper $\frac{1}{2}$ "	5,321,403	.3685	1,960,937	.3230	1,718,813	242,124
Homo V.D. Milk	Paper Qts.	2,194,591	.2000	438,918	.1755	385,151	53,767
Chocolate Milk	Paper Qts.	163,037	.2437	39,732	.2178	35,509	4,223
Buttermilk	Paper $\frac{1}{2}$ Gals.	331,344	.3685	122,100	.3050	101,060	21,040
Buttermilk	Paper Qts.	542,083	.2000	108,417	.1600	86,733	21,684
2%	Paper $\frac{1}{2}$ Gals.	612,231	.3453	211,403	.2990	183,057	28,346
Fortified Skim	Milk Paper $\frac{1}{2}$ Gals.	515,996	.3453	178,173	.2825	145,769	32,404
Fortified Skim	Milk Paper Qts.	415,587	.1917	85,419	.1500	66,838	18,581
Whipping Cream	Paper $\frac{1}{2}$ Pts.	256,481	.3068	78,688	.2600	66,685	12,003
Half-Half	Paper Pints	1,577,403	.2984	470,697	.2440	384,886	85,811
Total				\$5,134,934		\$4,428,008	\$706,926

715a

9/14/65

THE BORDEN COMPANY
CENTRAL DIVISION
ESTIMATED ANNUAL QUOTATION DIFFERENTIAL - ZONE #2 (SOUTH BEND AREA)

Item	Size	Annual Usage	Borden			A&P Label		Annual Value for A&P Label	Annual Differential
			Label Price 5/8/65	Unit for Week	Value for Borden Label	Unit Quotation 3-day Delivery	Unit Quotation 6-day Delivery		
Homo V. D. Milk	Paper Gal.	126,516	2,756	\$.6305	\$ 81,506	\$.5910	\$.6460	\$ 76,551	\$ 4,955
Homo V. D. Milk	" $\frac{1}{2}$ Gal.	472,905	20,159	.3203	157,928	.2955	.3230	146,254	11,674
Homo V. D. Milk	" Qts.	93,236	4,195	.1694	16,505	.1625	.1755	15,887	618
Chocolate Milk	" Qts.	10,175	225	.2166	2,253	.2048	.2178	2,133	120
Buttermilk	" $\frac{1}{2}$ Gal.	22,967	537	.3193	7,505	.2775	.3050	6,537	968
Buttermilk	" Qts.	28,479	797	.1687	4,939	.1470	.1600	4,314	625
2%	" $\frac{1}{2}$ Gal.	97,691	4,090	.2965	30,178	.2715	.2990	27,746	2,432
Fortified Skim Milk	" $\frac{1}{2}$ Gal.	20,956	260	.2852	6,051	.2550	.2825	5,417	634
Fortified Skim Milk	" Qts.	10,955	416	.1601	1,820	.1370	.1500	1,563	257
Whipping Cream	" $\frac{1}{2}$ Pts.	13,277	832	.2555	3,605	.2470	.2600	3,495	110
Half & Half	" Pts.	72,159	3,917	.2465	18,753	.2310	.2440	17,625	1,128
TOTAL					\$331,043			\$307,522	\$23,521

216a

9/14/65

THE BORDEN COMPANY
CENTRAL DIVISION
ESTIMATED ANNUAL QUOTATION DIFFERENTIAL - ZONE #3 (ROCKFORD-JOLIET AREA)

Item	Size	Annual Usage in Units	Borden Label Unit Price Week 5/8/65	Annual Value for Borden Label	A&P Label Units Quotation	Annual Value for A&P Label	Annual Differential
Homo V. D. Milk	Paper Gal.	50,353	\$.7305	\$ 36,783	\$.6460	\$ 32,528	\$ 4,255
Homo V. D. Milk	" $\frac{1}{2}$ Gal.	251,507	.3645	91,674	.3230	81,237	10,437
Homo V. D. Milk	" Qts.	63,076	.1907	12,029	.1755	11,070	959
Chocolate Milk	" Qts.	13,919	.2403	3,345	.2178	3,032	313
Buttermilk	" $\frac{1}{2}$ Gal.	20,124	.3643	7,331	.3050	6,138	1,193
Buttermilk	" Qts.	30,957	.1893	5,860	.1600	4,953	907
2%	" $\frac{1}{2}$ Gal.	97,725	.3347	32,709	.2990	29,220	3,489
Fortified Skim Milk	" $\frac{1}{2}$ Gal.	25,116	.3306	8,303	.2825	7,095	1,208
Fortified Skim Milk	" Qts.	15,600	.1789	2,791	.1500	2,340	451
Whipping Cream	" $\frac{1}{2}$ Pts.	29,588	.2882	8,527	.2600	7,693	834
Half & Half	" Pts.	58,725	.2807	16,484	.2440	14,329	2,155
TOTAL				<u>\$225,836</u>		<u>\$199,635</u>	<u>\$26,201</u>

9/14/65

717a

THE BORDEN COMPANY
CENTRAL DIVISION
ESTIMATED ANNUAL QUOTATION DIFFERENTIAL - ZONE #4 (MISCELLANEOUS AREA)

Item	Size	Annual Usage		Borden	A&P Label	Annual Value for A&P Label	Annual Differential
		3 -Day Delivery	5&6 -Day Delivery	Label Unit Price 5/8/65			
Homo W. ID. Milk	Paper Gal.	60,702	97,777	\$.6866	\$108,812	\$.5910	\$99,039
Homo W. ID. Milk	" $\frac{1}{2}$ Gal.	232,063	490,932	.3501	253,036	.2955	3230
Homo W. ID. Milk	" Qts.	66,138	75,469	.1837	26,069	.1625	1175
Chocolate Milk	" Qts.	111,318	122,168	.2325	15,160	.2048	2178
Buttermilk	" $\frac{1}{2}$ Gal.	16,257	221,007	.3580	110,835	.2775	3050
Buttermilk	" Qts.	108,053	333,315	.1843	18,570	.1470	1600
2%	" $\frac{1}{2}$ Gal.	37,821	86,372	.3232	40,139	.2715	2890
Fortified Skim Milk	" $\frac{1}{2}$ Gal.	4,386	26,277	.3273	10,036	.2850	2825
Fortified Skim Milk	" Qts.	9,146	17,163	.1707	11,628	.1370	1500
Whipping Cream	" 1/2 Qts.	17,750	31,217	.2917	14,284	.2470	2600
Half & Half	" 1/2 Qts.	65,485	90,896	.2742	42,880	.2310	2440
TOTAL				\$525,969		\$470,809	\$55,160

9/14/65

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THE BORDEN COMPANY
CENTRAL DIVISION

ESTIMATED ANNUAL QUOTATION DIFFERENTIAL - ZONE #5 (ROCK ISLAND AREA)

Item	Size	Annual Usage in Units	Borden Label 9/7/65	Annual Value for Borden Label	A&P Label Quotation	Annual Value for A&P Label	Annual Differential
Homo V. D. Milk	Paper Gal.	148,911	.6434	\$ 95,809	.6234	\$ 92,831	\$ 2,978
Homo V. D. Milk	" $\frac{1}{2}$ Gal.	255,840	.3217	82,304	.3117	79,745	2,559
Homo V. D. Milk	" Qts.	106,652	.1792	19,112	.1742	18,579	533
Chocolate Milk	" Qts.	15,600	.2017	3,147	.1967	3,069	78
Buttermilk	" $\frac{1}{2}$ Gal.	---	---	---	---	---	---
Buttermilk	" Qts.	28,617	.1792	5,128	.1742	4,985	143
2%	" $\frac{1}{2}$ Gal.	87,013	.2926	25,460	.2826	24,590	870
Fortified Skim Milk	" $\frac{1}{2}$ Gal.	37,613	.2813	10,581	.2713	10,204	377
Fortified Skim Milk	" Qts.	22,585	.1641	3,706	.1591	3,593	113
Whipping Cream	" $\frac{1}{2}$ Pts.	23,157	.2798	6,479	.2748	6,364	115
Half & Half	" Pts.	86,216	.2497	21,528	.2447	21,097	431
TOTAL				\$273,254		\$265,057	\$ 8,197

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September 14, 1965

The Borden CompanyCentral DivisionGeneral Quotation - A & P Private LabelApplicable to A & P Area No. 1 - Chicago-Calumet

(Related to Present Announced Superpool Class I Price of \$4.32 per Cwt.)

<u>Item</u>	<u>Size</u>	<u>* Net Unit Price for A & P Private Label Products Based on 6 Day Deliveries</u>
Homogenized V.D. Milk	Glass Gallons	.6060
2%	Glass Gallons	.5580
Homogenized V.D. Milk	Paper Gallons	.6460
Homogenized V.D. Milk	Paper 1/2 Gal.	.3230
Homogenized V.D. Milk	Paper Quarts	.1755
2%	Paper Gallons	.5980
2%	Paper 1/2 Gal.	.2990
Vitamin Fortified Skim	Paper 1/2 Gal.	.2825
Vitamin Fortified Skim	Paper Quart	.1500
Half & Half	Paper Pint	.2440
Chocolate Milk	Paper Quart	.2178
Buttermilk	Paper 1/2 Gal.	.3050
Buttermilk	Paper Quart	.1600
Whipping Cream	Paper 1/2 Pint	.2600

* (1) Above net unit prices for A & P private label products are related to delivery conditions and co-operative program as set forth on accompanying schedule.

(2) Above net unit prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$4.32 per cwt. indicated above, in accordance with the price change per unit schedule attached.

The Borden CompanyCentral DivisionPrice Change Per UnitA & P Area No. 1 - Chicago-Calumet

(Related to the Announced Chicago Superpool Class I Price of \$4.32 per Cwt.)

Increase or Decrease Per Cwt.	Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Page 2

Price Change Per Unit

(Related to the Announced Superpool Class I Price of \$4.32 per Cwt.)

Increase or
Decrease per Cwt.

	Increase or Decrease in Price		
	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

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September 14, 1965

The Borden Company

Central Division

General Quotation - A & P Private Label
Applicable to A & P Areas No. 2-3-4 (Town Listing Attached)

(Related to Present Announced Super Pool Class I Price of \$4.32 per Cwt.)

* Net Unit Price for A & P
Private Label Products

		Based on 3-Day Drop Deliveries		Based on 5-6 Day Drop Deliveries	
<u>Item</u>	<u>Size</u>				
Homogenized V.D. Milk	Paper Gallons	.5910		.6460	
Homogenized V.D. Milk	Paper 1/2 Gallons	.2955	✓	.3230	
Homogenized V.D. Milk	Paper Quarts	.1625		.1755	
Homogenized V.D. Milk 2%	Paper Gallons	.5430		.5980	
Vitamin Fortified Skim 2%	Paper 1/2 Gallons	.2715		.2990	
Vitamin Fortified Skim	Paper 1/2 Gallons	.2550		.2825	
Vitamin Fortified Skim	Paper Quarts	.1370		.1500	
Half & Half	Paper Pints	.2310		.2440	
Chocolate Milk	Paper Quarts	.2048		.2178	
Buttermilk	Paper 1/2 Gallons	.2775		.3050	
Buttermilk	Paper Quarts	.1470		.1600	
Whipping Cream	Paper 1/2 Pints	.2470		.2600	

* (1) Above Net Unit Prices for A & P Private Label Products are related to delivery conditions and co-operative program as set forth in accompanying schedule.

(2) Above Net Unit Prices for A & P Private Label Products are subject monthly to any change in the Class I price as such relates to the Class I price of \$4.32 per cwt. indicated above, in accordance with the Price Change Per Unit Schedule attached.

The Borden CompanyCentral DivisionTown Listing - A & P Areas No. 2-3-4

<u>A & P Store Locations</u>	<u>Present Type of Delivery</u>		
	<u>3-Day</u>	<u>5-Day</u>	<u>6-Day</u>
South Bend, Indiana (6 stores)	x		
Mishawaka, Indiana	x		
Elkhart, Indiana	x		
Goshen, Indiana	x		
La Porte, Indiana	x		
Valparaiso, Indiana	x	x	
Walkerton, Indiana	x	x	
Michigan City, Indiana			
Chesterton, Indiana			
South Bend, Indiana (1 store)	x	x	x
Lockport, Illinois	x	x	x
Aurora, Illinois (2 stores)	x	x	x
Joliet, Illinois (6 stores)	x	x	x
Rockford, Illinois (5 stores)	x	x	x
Freeport, Illinois	x	x	x
Loves Park, Illinois			
Manteno, Illinois	x		
Marsailles, Illinois	x		
Spring Valley, Illinois	x		
Momence, Illinois	x		
Ottawa, Illinois	x		
Sandwich, Illinois	x		
Knox, Indiana	x		
St. Anne, Illinois	x		
Streator, Illinois	x		
Piano, Illinois	x		
North Judson, Indiana	x		
Gilman, Illinois	x		
Pontiac, Illinois	x		
Lacon, Illinois	x		
Galena, Illinois	x		
Minonk, Illinois	x		
La Salle, Illinois	x		
Princeton, Illinois	x		
Warren, Illinois	x		
Belvidere, Illinois	x		
Rochelle, Illinois	x		
Dixon, Illinois	x		
Marengo, Illinois	x		
Polo, Illinois	x		
De Kalb, Illinois	x	x	x

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Town Listing - A & P Areas No. 2-3-4

<u>A & P Store Locations</u>	<u>Present Type of Delivery</u>		
	<u>3-Day</u>	<u>5-Day</u>	<u>6-Day</u>
Mt. Morris, Illinois	x		
Woodstock, Illinois	x		
Fox Lake, Illinois	x		
Kankakee, Illinois (2 stores)	x	x	
Pecatonica, Illinois	x	x	
Wilmington, Illinois	x	x	
McHenry, Illinois	x	x	
Antioch, Illinois	x	x	
Wauconda, Illinois	x	x	
Crystal Lake, Illinois	x	x	
Zion, Illinois	x	x	

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The Borden Company
Central Division

Price Change Per Unit - A & P Areas No. 2-3-4

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per Cwt.)

<u>Increase or Decrease per Cwt.</u>	<u>Increase or Decrease in Price Per Unit</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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Price Change Per Unit - A & P Areas No. 2-3-4

(Related to the Present Announced Chicago Super Pool Class I Price
of \$4.32 per Cwt.)

<u>Increase or Decrease per Cwt.</u>	<u>Increase or Decrease in Price Per Unit</u>		
	<u>Per Quart</u>	<u>Per Half Gallon</u>	<u>Per Gallon</u>
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

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 THE BORDEN COMPANY
 Central Division

September 14, 1965

General Quotation -- A & P Private Label
Applicable to A & P Area No. 5 - Rock Island Area - (Town Listing Attached.)
(Related to the Announced Federal Order No. 63 Class I Price
of \$4.31 per Cwt. for September 1965)

Item	Size	* Net Unit Price for A & P Private Label Products Based on 3-Day Drop Delivery
Homogenized V.D. Milk	Paper Gallon	.6234
Homogenized V.D. Milk	Paper 1/2 Gal.	.3117
Homogenized V.D. Milk	Paper Quart	.1742
2%	Paper 1/2 Gal.	.2826
Vitamin Fortified Skim	Paper 1/2 Gal.	.2713
Vitamin Fortified Skim	Paper Quart	.1591
Half & Half	Paper Pint	.2447
Chocolate Milk	Paper Quart	.1967
Buttermilk	Paper Quart	.1742
Whipping Cream	Paper 1/2 Pint	.2748

- * (1) Above Net Unit Prices for A & P Private Label Products are Related to Delivery Conditions and Co-operative Program as set forth in Accompanying Schedule.
- (2) Above Net Unit Prices for A & P Private Label Products are subject Monthly to any Change in the Class I Price as such relates to the Class I Price of \$4.31 per Cwt. indicated above, in Accordance with the Price Change per Unit Schedule attached.

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THE BORDEN COMPANY
Central Division

Town Listing - A & P Area No. 5 - Rock Island Area

A & P Store Location	Present Type of Delivery		
	<u>3 Day</u>	<u>5 Day</u>	<u>6 Day</u>
Geneseo, Illinois	x		
Kewanee, Illinois	x		
Lanark, Illinois	x		
Moline, Illinois (2 stores)	x		
Mt. Carroll, Illinois	x		
Rock Island, Illinois	x		
Savanna, Illinois	x		
Sterling, Illinois	x		
Toulon, Illinois	x		
Galesburg, Illinois (2 stores)	x		
Clinton, Iowa	x		
Davenport, Iowa (2 stores)	x		

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THE BORDEN COMPANY
Central Division

Price Change Per Unit - A & P Area No. 5 - Rock Island Area

(Related to the Federal Order No. 63 Announced Class I Price
of \$4.31 per Cwt. for September 1965)

Increase or
Decrease per CWT.

	Increase or Decrease in Price		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

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THE BORDEN COMPANY
Central Division

Page 2Price Change Per Unit - A & P Area No. 5 - Rock Island Area

(Related to the Federal Order No. 63 Announced Class I Price
 of \$4.31 per Cwt. for September 1965)

Increase or
 Decrease per CWT.

	Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.33	.0072	.0144	.0288
.34	.0074	.0148	.0296
.35	.0076	.0152	.0304
.36	.0078	.0156	.0312
.37	.0080	.0160	.0320
.38	.0082	.0164	.0328
.39	.0085	.0170	.0340
.40	.0087	.0174	.0348
.41	.0089	.0178	.0356
.42	.0091	.0182	.0364
.43	.0093	.0186	.0372
.44	.0095	.0190	.0380
.45	.0098	.0196	.0392
.46	.0100	.0200	.0400

The Borden Company - Central Division
A & P Private Label Program

September 14, 1965

The new A & P Private Label milk program is based upon the following mutual understandings and the essentials of this new program are outlined below:

1. Borden personnel will assist in the formulation of this new program.
2. Borden personnel will also assist A & P personnel during the introductory period in the various phases of ordering and rotating of merchandise so that the program will achieve its ultimate sales goals and expectations. (Suggested Bulletins to Supervisors and Store Managers attached.)
3. A complete line of dairy products, as supplied by The Borden Company, should be featured in your dairy case.
4. Deliveries will be on a limited service basis as follows:
 - (a) Stores served on a three-day per week basis will receive one delivery on Monday-Wednesday-Friday or Tuesday-Thursday-Saturday.
 - (b) Stores served on a five- or six-day per week basis will receive one delivery per day.
 - (c) The delivery time to each store will be handled in a manner to effectuate the most efficient delivery schedule.
5. Deliveries at the store level shall be handled in the following manner:
 - (a) To the receiving door of the store.
 - (b) To a designated place on the receiving platform.
 - (c) To a refrigerated storage box that can be entered directly from a platform or ground level location and into which dairy products can be conveniently stocked.
 - (d) If dairy products are delivered to a refrigerated storage box, adequate storage space shall be provided so that proper rotation of carry-over merchandise can be handled by store personnel.
 - (e) Empty milk cases and bottles shall be placed at a designated point for easy accessibility and pickup.

- 2 -

6. Ordering of Products.

- (a) Advance order delivery tickets shall be supplied by The Borden Company.

- (b) Advance order tickets for the following delivery shall be completed for presentation to the Borden driver at time of delivery.

7. Code Dates.

- (a) Products are clearly coded on the gable of the milk items and on the bottom of all bucket products.
- (b) All products are coded with an expiration date.
- (c) Code date expirations shall be explained in the Chicago Unit Office and at local levels.

8. Credit for Product Returns.

- (a) Credit for product returns shall be only on the basis of faulty containers or product remaining within code date.

- 9. Borden's will not be obligated to furnish any merchandising materials, price promotions, demonstrators, or special displays on A & P labelled products under this program.

- 10. Borden salesmen's services will be supplied at the store level only, to follow through on a complaint covering such matters as service, product, or container.

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Suggestion for

BULLETIN NO. I.

ATTENTION STORE NO. _____

TO: SUPERVISORS AND STORE MANAGERS

Your store will be serviced with A & P labeled milk products by The Borden Company on a drop shipment delivery basis.

The essentials of this new purchasing arrangement are as follows:

1. Limited deliveries.
2. No returns.
3. No service in regard to rotation, stocking, etc.
4. Pre-order of merchandise.

We will advise you shortly of the requirements of ordering and handling of milk products under this new program and of our arrangements with Borden's.

The Borden Company will soon hold a series of meetings to explain to you the coordination of deliveries and to evaluate your physical set-up. The new pre-order system and control guide will help you obtain a pattern in regard to your requirements. These things must be covered in order that you may sensibly pre-order merchandise from the above supplier for your store's needs.

Please give these people your utmost cooperation. We recommend that you fully explain these procedures to your Assistant Manager, Dairy Department Head, or someone responsible for the operation and the ordering of dairy products. The new aspects of this system should be thoroughly understood and followed by members of your organization.

We will advise you shortly in regard to items and procedures and other details.

ATTENTION STORE NO. _____

TO: SUPERVISORS AND STORE MANAGERS

The new A & P private label milk delivery program has now been worked out, and deliveries to your stores will start on Monday . With this new program, we will be getting maximum benefits from the fast moving dairy items and it will be to our advantage for you to work with your supplier to handle this properly in order that we may all be successful in this venture.

Deliveries will be made on a limited service basis as follows:

- (a) Stores served on a three day per week basis will receive one delivery on Monday-Wednesday-Friday or Tuesday-Thursday-Saturday.
- (b) Stores served on a five or six day per week basis will receive one delivery per day.
- (c) Special deliveries shall not be made except the failure of Borden's to perform on the advance order.

Deliveries at the store level shall be handled in the following manner:

- (a) To the receiving door of the store.
- (b) To a designated place on the receiving platform.
- (c) To a refrigerated storage box that can be entered directly from a platform or ground level location and into which dairy products can be conveniently stocked.
- (d) If dairy products are delivered to a refrigerated storage box, adequate storage space shall be provided so that proper rotation of carry-over merchandise can be handled by store personnel.
- (e) Empty milk cases and bottles shall be placed at a designated point for easy accessibility and pick-up.

Ordering of Products

- (a) Pre-order forms will be furnished to you by The Borden Company.
- (b) This order must be completed and be available in the cooler at the time of the delivery for the driver to pick up.

Example: On three day delivery -- Monday delivery, pick up order for Wednesday. Wednesday delivery, pick up order for Friday. Friday delivery, pick up order for Monday, etc.

On the five or six day delivery schedule, the order again must be completed and available in the cooler for the following day's delivery.

Please follow instructions in order that we may have no inconvenience or unnecessary expense by orders not being available as outlined above.

In all cases, order changes will not be accepted since they can be adjusted on the following day's order.

We recommend you try, whenever possible, to order merchandise in even cases. This may not be possible in smaller volume stores.

As always in the use of your order form, you must take into consideration your meat feature, the week-end pay days, 15th and 1st of the month, holidays, individual store promotions on dairy features, and consult your past order forms and inventories.

All products are under a "no return" basis and the only exception will be for manufacturing defects. Please use care.

Code⁶

- (a) Products are clearly coded on the gable of the milk items and on the bottom of all bucket products.
- (b) All products are coded with an expiration date.
- (c) Code date expiration shall be explained to you at future meetings.
- (d) Please check code date's daily and rotate. There will be no services offered in regard to rotation and checking by the supplier. Do not make the customer unhappy by having old products in the case due to lack of attention to this operation.

For those stores who are presently on a three day drop delivery method, this should be nothing new for you. It might be well, however, to again review all of the procedures in the ordering and handling of dairy products.

We sincerely believe that this new milk program is another stride forward for our company and you will be able to achieve your ultimate sales goals and expectations.

7:36 a

CKD 5 A

9/16/60

7:40 a. P.

Examination of evidence taken after arrival of
the previous night, Raigh & the should see
Bots Hotel, the restaurant and bars and found nothing
but this was the same as at the time just
at third (evening).

There was no further disturbing change because
the weather at present was cold to have sent
out the snow blower would not be sensible.

Raigh came following the meeting. She
spoke to be smart and astute. Indicated
a number of disturbing factors - All agreed of
the was Botwini friend. friend found best presentation
to what we called "dignity". Within advised.
She however stated there were some strings she mind
like to explain was concerned if give his place

the state presented doctor 5/14/60. Shall advise
a number of intelligent practices. Indicated
we agreed to products after \$10,000 -
shall further indicate that stay would

tell the funds offer and courage - had some
more progress coming in. Plaintiff indicated
we would take to go ahead - shall referred to
the fact that Botwini the other figures - other
strings are involved.

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9/17/65

Memo - A&P

Elmer Schmidt advised Tarr that in view of his personal matters, Ralph and he should see Bob Hall, his assistant and leave our quotations with him and Hall would see that they got to him (Elmer).

This was a rather disturbing change because this matter it appeared was cold to Hall but this was the way Elmer wanted it to be handled.

Ralph called following the meeting. Hall appeared to be smart and attentive. Indicated a number of disturbing factors - Hall inquired if this was Borden's final, final - final best quotation to which we replied "definitely".

Minkler advised Hall however that there were some things he would like to explain and reviewed page by page the data presented dated 9/14/65. Hall asked a number of intelligent questions. Understands we spread to products the \$820,000.

Hall further indicated that they would take the final offer and compare - had some more figures coming in.

Minkler indicated he would like to go ahead. Hall referred to the fact that Elmer has other figures - other things are involved.

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September 21, 1965.

THE BORDEN COMPANY

Central Division

Price Quotation Data covering

A & P Private Label Fluid Milk Products

in

A & P Zones No. 1, 2, 3, 4 & 5.

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THE BORDEN COMPANY
Central Division

Summary of Decreased A & P Private Label Cost

Area No. 1	\$694,524
Area No. 2	25,584
Area No. 3	39,270
Area No. 4	98,151
Area No. 5	25,308
Total	<u><u>\$882,837</u></u>

PRICES AS OF MAY 8, 1965

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THE BORDEN COMPANY
CENTRAL DIVISION
ZONE NO. I - CHICAGO AND CALUMET AREA

COMMODITY	YEARLY USAGE	BORDEEN LABEL UNIT COST	BORDEEN LABEL ANNUAL COST	A & P LABEL UNIT COST	A & P LABEL ANNUAL COST	DIFFERENTIAL ANNUAL BASIS
Gals. Homo Paper	773,327	\$.7371	\$ 570,024	\$.6220	\$ 481,009	\$ 89,015
½ Gals. Homo	5,321,403	.3685	1,960,937	.3110	1,654,956	305,981
Qts. Homo	2,194,591	.2000	438,915	.1705	374,178	64,737
Qts. Chocolate	163,037	.2437	39,728	.2150	35,053	4,675
½ Gals. Buttermilk	331,344	.3685	122,096	.3030	100,397	21,599
Qts. Buttermilk	542,083	.2000	108,420	.1560	84,565	23,855
½ Gals. 2%	612,231	.3453	211,397	.2900	177,547	33,850
½ Gals. Skim	515,996	.3453	178,169	.2820	145,511	32,658
Qts. Skim	445,587	.1917	85,419	.1440	64,165	21,254
½ Pts. Whip Cream	256,481	.3068	78,693	.2640	67,711	10,982
Pts. Half-Half	1,577,403	.2984	470,704	.2440	384,886	85,818
TOTAL			\$4,264,502		\$3,569,978	\$694,524

21,834.438 Pts.

741a

THE BORDEN COMPANY
CENTRAL DIVISION
ZONE NO. III - SOUTH BEND AREA

PRICES AS OF MAY 8, 1955

COMMODITY	YEARLY USAGE	BORDEN LABEL UNIT COST (ave.)	BORDEN LABEL ANNUAL COST	A & P LABEL UNIT COST	A & P LABEL ANNUAL COST	DIFFERENTIAL ANNUAL BASIS
Gals. Homo	129,272	.6305	\$ 81,501	3-Day \$.5848 6-Day .6248	\$ 75,709	\$ 5,792
½ Gals. Homo	493,064	.3203	157,907	3-Day .2924 6-Day .3124	144,575	13,332
Qts. Homo	97,431	.1694	16,501	3-Day .1612 6-Day .1712	15,748	753
Qts. Chocolate	10,400	.2166	2,253	3-Day .2057 6-Day .2157	2,142	111
½ Gals. Buttermilk	23,504	.3193	7,505	3-Day .2844 6-Day .3044	6,695	810
Qts. Buttermilk	29,276	.1687	4,940	3-Day .1467 6-Day .1567	4,303	637
½ Gals. 2%	101,781	.2965	30,177	3-Day .2714 6-Day .2914	27,705	2,472
½ Gals. Skim	21,216	.2852	6,050	3-Day .2634 6-Day .2834	5,593	457
Qts. Skim	11,371	.1601	1,820	3-Day .1347 6-Day .1447	1,536	284
½ Pts. Whip Cream	14,109	.2555	3,605	3-Day .2547 6-Day .2647	3,602	3
Pts. Half-Half	76,076	.2465	18,755	3-Day .2337 6-Day .2447	17,822	933
TOTAL			\$331,014		\$305,430	\$ 25,584

2,034,881 Pts

742a.

THE BORDEN COMPANY

Prices as of May 8

Central Division

Zone No. III - Rockford-Joliet Area.

Commodity	Yearly Usage	Borden Label Unit Coast Average	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	50,353	\$.7305	\$36,781	\$.5972	\$30,071	\$ 6,710
1/2 Gals. Homo	251,507	.3645	91,676	.2986	75,100	16,576
Quarts Homo	63,076	.1907	12,029	.1643	10,363	1,666
Quarts Chocolate	13,919	.2403	3,345	.2088	2,906	439
1/2 Gals. Butter-milk	20,124	.3643	7,332	.2906	5,848	1,484
Quarts Buttermilk	30,957	.1893	5,859	.1498	4,637	1,222
1/2 Gals. 2%	97,725	.3347	32,708	.2776	27,128	5,580
1/2 Gals. Skim	25,116	.3306	8,303	.2696	6,771	1,532
Quarts Skim	15,600	.1789	2,791	.1378	2,150	641
1/2 Pts. Whipping Cream	29,588	.2882	8,528	.2578	7,628	900
Pints Half-Half	58,725	.2807	16,484	.2378	13,964	2,520
Total			\$225,836		\$186,566	\$39,270

1,101,771 Pts

743a

THE BORDEN COMPANY
Central Division

Prices as of May 8

ZONE NO. IV -- Miscellaneous Area

<u>Commodity</u>	<u>Yearly Usage</u>	Borden Label Unit Cost (Average)	Borden Label Annual Cost	A & P Label Unit Cost (Average)	A & P Label Annual Cost	Differential Annual Basis
Gallons Homo	158,479	\$.6866	\$ 108,819	\$.5627	\$ 89,173	\$ 19,646
1/2 Gals. Homo	723,095	.3501	253,188	.2825	204,331	48,857
Quarts Homo	141,908	.1837	26,069	.1548	21,970	4,099
Quarts Chocolate	23,487	.2325	5,460	.1992	4,678	782
1/2 Gals. Buttermilk	30,264	.3580	10,833	.2769	8,379	2,454
Quarts Buttermilk	52,468	.1843	9,672	.1414	7,417	2,255
1/2 Gals. 2%	124,193	.3232	40,144	.2619	32,528	7,616
1/2 Gals. Skim	30,663	.3273	10,036	.2571	7,883	2,153
Quarts Skim	27,109	.1707	4,628	.1295	3,511	1,117
1/2 Pints Whip Cream	48,967	.2917	14,283	.2494	12,212	2,071
Pints Half & Half	156,381	.2742	42,883	.2288	35,782	7,101
			\$ 526,015		\$ 427,864	\$ 98,151

2,900,000 Qts

744a

Prices as of May 8

THE BORDEN COMPANY
Central Division

Zone No. V---Rock Island Area.

Commodity	Yearly Usage	Borden Label Unit Cost Average	Borden Label Annual Cost	A & P Label Unit Cost	A & P Label Annual Cost	Differential Annual Basis
Gals. Homo	148,911	\$.6066	\$90,324	\$.5468	\$81,425	\$ 8,899
1/2 Gals. Homo	255,840	.3035	77,636	.2734	69,947	7,689
Quarts Homo	106,652	.1710	18,235	.1517	16,179	2,056
Quarts Chocolate	15,600	.1933	3,016	.1874	2,923	93
Quarts Buttermilk	28,617	.1714	4,905	.1372	3,926	979
1/2 Gals. 2%	87,013	.2743	23,868	.2524	21,962	1,906
1/2 Gals. Skim	37,613	.2627	9,880	.2444	9,193	687
Quarts Skim	22,585	.1573	3,553	.1252	2,828	725
1/2 Pts. Whipping Cream	23,157	.2717	6,292	.2452	5,679	613
Pints Half-Half	86,216	.2445	21,077	.2252	19,416	1,661
Total			\$258,786		\$233,478	\$25,308

1,639,403 JTS

THE BORDEN COMPANYCHICAGO - CALUMET AREA (ZONE NO. 1)GENERAL QUOTATION - A & P PRIVATE LABEL

(Related to the Present Announced Superpool Class I Price of \$4.29)

	* Net for A & P Borden Label	* Net for A & P Private Label
Homo V. D. Milk - Gal. Paper	\$.7371	\$.6220
Homo V. D. Milk - 1/2 Gal. Paper	.3685	.3110
Homo V. D. Milk - Qts. Paper	.2000	.1705
<u>2% - Gal. Paper</u>	.6906	.5800
2% - 1/2 Gal. Paper	.3453	.2900
Vitamin Fortified Skim - 1/2 Gal. Paper	.3453	.2820
Vitamin Fortified Skim - Qts. Paper	.1917	.1400
Half & Half - Pts. Paper	.2984	.2440
Chocolate Milk - Qts. Paper	.2437	.2150
Buttermilk - 1/2 Gal. Paper	.3685	.3030
Buttermilk - Qts. Paper	.2000	.1560
Whipping Cream - 1/2 Pts. Paper	.3068	.2640

- * (1) Above net unit prices for A & P private label products are related to delivery conditions and cooperative program as set forth on the accompanying schedule.

- (2) Above net unit prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$4.29 per cwt. indicated above, in accordance with the price change per unit schedule attached. In addition, the above unit prices for A & P private label products are subject to change in connection with changes that occur in the cost of labor and containers.

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THE BORDEN COMPANY

General Quotation -- A & P Private Label
(Related to Present Announced Superpool Class I Price of \$4.32 Per Cwt.)

* Net Price for A & P Private Label Products
by Type and Method of Delivery

Private Label Products	3-Day	4-Day	5-Day	6-Day
	Per Week	Per Week	Per Week	Per Week
Drop	Drop	Drop	Drop	Drop
Delivery	Delivery	Delivery	Delivery	Delivery
Homo V. D. Milk - Gallon Paper	.5848	.6048	.6148	.6248
Homo V.D. Milk - 1/2 Gal. Paper	.2924	.3024	.3074	.3124
Homo V.D. Milk - Quart Paper	.1612	.1662	.1687	.1712
2% - 1/2 Gal. Paper	.2714	.2814	.2864	.2914
Vitamin Fortified Skim - 1/2 Gal. Paper	.2634	.2734	.2784	.2834
Vitamin Fortified Skim - Quart Paper	.1347	.1397	.1422	.1447
Half & Half - Pint Paper	.2337	.2397	.2422	.2447
Chocolate Milk - Quart Paper	.2057	.2107	.2132	.2157
Buttermilk - 1/2 Gal. Paper	.2844	.2944	.2994	.3044
Buttermilk - Quart Paper	.1467	.1517	.1542	.1567
Whipping Cream - 1/2 Pint Paper	.2547	.2597	.2622	.2647

Prices apply to stores located in the geographical area subject to the terms of the Chicago Superpool which are as follows:

Stores Receiving 3-Day Per Week Delivery:

South Bend (6 stores), Mishawaka
Elkhart, Goshen, La Porte, Valparaiso,
Walkerton and Michigan City.

Stores Receiving 6-Day Per Week Delivery:

Chesterton, South Bend (1 store).

Stores Receiving 4-Day and 5-Day Per Week Delivery:

None

- * (1) Above net prices for A & P private label products are related to delivery conditions and co-operative program as set forth on the accompanying schedule.
- (2) Above net unit prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$4.32 per cwt., indicated above, in accordance with the price change per unit schedule attached. In addition, the above unit prices for A & P private label products are subject to change in connection with changes that occur in the cost of labor and containers.

September 21, 1965

The Borden CompanyGeneral Quotation - A & P Private Label

(Related to Present Announced Superpool Class I Price of \$4.00 per Cwt.)

* Net Price for A & P Private Label
Products by Type and Method of Delivery

Private Label Products	3 - Day	4 - Day	5 - Day	6 - Day
	Per Week	Per Week	Per Week	Per Week
	Drop	Drop	Drop	Drop
Vitamin Fortified Skim - 1/2 Gal. Paper	• 2496	• 2596	• 2646	• 2696:
Vitamin Fortified Skim - Quart Paper	• 1278	• 1328	• 1353	• 1378
Half & Half - Pint Paper	• 2278	• 2328	• 2353	• 2378
Chocolate Milk - Quart Paper	• 1988	• 2038	• 2063	• 2088
Buttermilk - 1/2 Gal. Paper	• 2706	• 2806	• 2856	• 2906
Buttermilk - Quart Paper	• 1398	• 1448	• 1473	• 1498
Whipping Cream - 1/2 Pint Paper	• 2478	• 2528	• 2553	• 2578

Prices apply to stores located in the geographical area subject to the terms of the Rockford Superpool which are as follows:

Stores Receiving 6-Day Per Week Delivery:

Lockport, Aurora (2 stores), Joliet (6 stores), Rockford (5 stores), Freeport and Loves Park.

Stores Receiving 3-Day - 4-Day - or 5-Day Per Week Delivery:

None

- (1) Above net unit prices for A & P private label products are related to delivery conditions and co-operative program as set forth on the accompanying schedule.
- (2) Above net unit prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$4.00 per cwt. indicated above, in accordance with the price change per unit schedule attached. In addition, the above unit prices for A & P private label products are subject to change in connection with changes that occur in the cost of labor and containers.

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Schedule No. 3 - Part 2
 (Zone No. 4)
September 21, 1965

The Borden Company

General Quotation - A & P Private Label

(Related to the Announced Class I Price Under Federal Order No. 30 of \$3.78 per Cwt.)

* Net Price for A & P Private Label Products
by Type and Method of Delivery

Private Label Products	3-Day	4-Day	5-Day	6-Day
	Per Week	Per Week	Per Week	Per Week
	Drop	Drop	Drop	Drop
	Delivery	Delivery	Delivery	Delivery
Hom. V. D. Milk - Gal. Paper	.5380	.5580	.5680	.5780
Hom. V. D. Milk - 1/2 Gal. Paper	.2690	.2790	.2840	.2890
Hom. V. D. Milk - Quart Paper	.1495	.1545	.1570	.1595
2% - 1/2 Gal. Paper	.2480	.2580	.2630	.2680
Vitamin Fortified Skim Milk - 1/2 Gal. Paper	.2400	.2500	.2550	.2600
Vitamin Fortified Skim Milk - Quart Paper	.1230	.1280	.1305	.1330
Half & Half - Pint Paper	.2230	.2280	.2305	.2330
Chocolate Milk - Quart Paper	.1940	.1990	.2015	.2040
Buttermilk - 1/2 Gal. Paper	.2610	.2710	.2760	.2810
Buttermilk - Quart Paper	.1350	.1400	.1425	.1450
Whipping Cream - 1/2 Pint Paper	.2430	.2480	.2505	.2530

Prices apply to stores located in the geographical area subject to the announced Class I milk prices under Federal Order No. 30, (which Class I milk prices are not subject to producer "superpool" payments) which stores are as follows:

Stores Receiving 3-Day Per Week Delivery:

Manteno	Momence	St. Annes	Gilmor	La Salle
Marseilles	Ottawa	Streator	Pontiac	Princeton
Spring Valley	Sandwich	Plano	Lacon	Minook
Culver	Knox	North Judson	Galena	Warren
Mendota				

Stores Receiving 4-Day Per Week Delivery:

None

Stores Receiving 5-Day Per Week Delivery

Belvidere	Marengo	Dekalb
Rochelle	Polo	Mt. Morris
Dixon		

Schedule No. 3 - Part 2
(Zone No. 4)
September 21, 1965

Page 2

Stores Receiving 6-Day Per Week Delivery:

Woodstock	McHenry
Fox Lake	Antioch
Kankakee (2 stores)	Wauconda
Pecatonica	Crystal Lake
Wilmington	Zion

- * (1) Above net unit prices for A & P private label products are related to delivery conditions and co-operative program as set forth on the accompanying schedule.
- (2) Above net prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$3.78 per cwt. indicated above, in accordance with the price change per unit schedule attached. In addition, the above unit prices for A & P private label products are subject to change in connection with changes that occur in the cost of labor and containers.

Schedule 4 - Part 2
(Zone No. 5)
September 21, 1965

THE BORDEN COMPANY
GENERAL QUOTATION - A & P PRIVATE LABEL
(Related to the Announced Class I Price Under Federal Order #63)
oil @ \$3.88 per Cwt.

* Net Price for A & P Private Label Products
 by Type and Method of Delivery

<u>Private Label Products</u>	<u>3-Day</u>	<u>4-Day</u>	<u>5-Day</u>	<u>6-Day</u>
	<u>Per Week</u>	<u>Per Week</u>	<u>Per Week</u>	<u>Per Week</u>
<u>Drop</u>	<u>Drop</u>	<u>Drop</u>	<u>Drop</u>	<u>Drop</u>
<u>Delivery</u>	<u>Delivery</u>	<u>Delivery</u>	<u>Delivery</u>	<u>Delivery</u>
Homo V.D. Milk Gal. Paper	.5468	.5668	.5768	.5868
Homo V.D. Milk 1/2 Gal. Paper	.2734	.2804	.2884	.2934
Homo V.D. Milk Quart Paper	.1517	.1567	.1592	.1617
2% - 1/2 Gal. Paper	.2524	.2624	.2674	.2724
Vir. Fort. Skim Milk 1/2 Gal. Paper	.2444	.2544	.2594	.2644
Vit. Fort. Skim Milk Quart Paper	.1252	.1302	.1327	.1352
Half & Half Pint Paper	.2252	.2302	.2327	.2352
Chocolate Milk Quart Paper	.1874	.1924	.1949	.1974
Buttermilk Quart Paper	.1372	.1422	.1447	.1472
Whipping Cream 1/2 Pint Paper	.2452	.2502	.2527	.2552

Prices apply to stores in the geographical area subject to the announced Class I Milk prices under Federal Order No. 63, (which Class I Milk prices are not subject to producer "Super Pool" payments) which stores are as follows:

<u>Stores Receiving 3 Day Per Week Delivery</u>
Genesco Kewanee Lanark Moline (2 Stores)
Mc. Carroll Rock Island Savannah Sterling
Toulon Galushburg (2 Stores) Clinton Davenport (2 Stores)
<u>Stores Receiving 4 Day, 5 Day or 6 Day Delivery</u>
None.

* (1) Above unit prices for A & P private label products are related to delivery conditions and co-operative program as set forth on the accompanying schedule.

(2) Above net unit prices for A & P private label products are subject monthly to any change in the Class I price as such relates to the Class I price of \$3.88 per cwt. indicated above, in accordance with the price change per unit schedule attached. In addition, the above unit prices for private label products are subject to change in connection with changes that occur in the cost of labor and containers.

751a

September 21, 1965

THE BORDEN COMPANY
Central Division

Price Change Per Unit Schedule

Increase or Decrease per CWT. in Class I Price	Resulting Increase or Decrease in Price Per Unit		
	Per Quart	Per Half Gallon	Per Gallon
.01	.0002	.0004	.0008
.02	.0004	.0008	.0016
.03	.0007	.0014	.0028
.04	.0009	.0018	.0036
.05	.0010	.0020	.0040
.06	.0013	.0026	.0052
.07	.0015	.0030	.0060
.08	.0017	.0034	.0068
.09	.0019	.0038	.0076
.10	.0021	.0042	.0084
.11	.0024	.0048	.0096
.12	.0026	.0052	.0104
.13	.0028	.0056	.0112
.14	.0030	.0060	.0120
.15	.0033	.0066	.0132
.16	.0035	.0070	.0140
.17	.0037	.0074	.0148
.18	.0039	.0078	.0156
.19	.0041	.0082	.0164
.20	.0043	.0086	.0172
.21	.0045	.0090	.0180
.22	.0048	.0096	.0192
.23	.0050	.0100	.0200
.24	.0052	.0104	.0208
.25	.0054	.0108	.0216
.26	.0056	.0112	.0224
.27	.0059	.0118	.0236
.28	.0061	.0122	.0244
.29	.0063	.0126	.0252
.30	.0065	.0130	.0260
.31	.0067	.0134	.0268
.32	.0069	.0138	.0276

September 21, 1965

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THE BORDEN COMPANY
Central Division

Price Change Per Unit Schedule

Increase or
Decrease per CWT.
in Class I Price

Resulting Increase or Decrease in
Price Per Unit

Per	Per	Per
Quart	Half Gallon	Gallon
.33	.0072	.0144
.34	.0074	.0148
.35	.0076	.0152
.36	.0078	.0156
.37	.0080	.0160
.38	.0082	.0164
.39	.0085	.0170
.40	.0087	.0174
.41	.0089	.0178
.42	.0091	.0182
.43	.0093	.0186
.44	.0095	.0190
.45	.0098	.0196
.46	.0100	.0200

The Borden Company - Central Division

A & P Private Label Program

The new A & P Private Label milk program is based upon the following mutual understandings and the essentials of this new program are outlined below:

1. Borden personnel will assist in the formulation of this new program.
2. Borden personnel will also assist A & P personnel during the introductory period in the various phases of ordering and rotating of merchandise so that the program will achieve its ultimate sales goals and expectations. (Suggested Bulletins to Supervisors and Store Managers attached.)
3. A complete line of dairy products, as supplied by The Borden Company, should be featured in your dairy case.
4. Deliveries will be on a limited service basis as follows:
 - (a) Stores served on a three-day per week basis will receive one delivery on Monday-Wednesday-Friday or Tuesday-Thursday-Saturday.
 - (b) Stores served on a five- or six-day per week basis will receive one delivery per day.
 - (c) The delivery time to each store will be handled in a manner to effectuate the most efficient delivery schedule.
 - (d) Special deliveries shall not be made except in unusual instances, such as Borden's failure to perform on the advance order.
5. Deliveries at the store level shall be handled in the following manner:
 - (a) To the receiving door of the store.
 - (b) To a designated place on the receiving platform.
 - (c) To a refrigerated storage box that can be entered directly from a platform or ground level location and into which dairy products can be conveniently stocked.
 - (d) If dairy products are delivered to a refrigerated storage box, adequate storage space shall be provided so that proper rotation of carry-over merchandise can be handled by store personnel.
 - (e) Empty milk cases and bottles shall be placed at a designated point for easy accessibility and pickup.

- 2 -

6. Ordering of Products.

- (a) Advance order delivery tickets shall be supplied by
The Borden Company.
- (b) Advance order tickets for the following delivery shall
be completed for presentation to the Borden driver at
time of delivery.

7. Code Dates.

- (a) Products are clearly coded on the gable of the milk
items and on the bottom of all bucket products.
- (b) All products are coded with an expiration date.
- (c) Code date expirations shall be explained in the Chicago
Unit Office and at local levels.

8. Credit for Product Returns.

- (a) Credit for product returns shall be only on the basis of
faulty containers or product remaining within code date.
9. Borden's will not be obligated to furnish any merchandising
materials, price promotions, demonstrators, or special displays
on A & P labelled products under this program.
10. Borden salesmen's services will be supplied at the store level
only, to follow through on a complaint covering such matters
as service, product, or container.

Suggestion for

BULLETIN NO. I

ATTENTION STORE NO. _____

TO: SUPERVISORS AND STORE MANAGERS

Your store will be serviced with A & P labeled milk products by The Borden Company on a drop shipment delivery basis.

The essentials of this new purchasing arrangement are as follows:

1. Limited deliveries.
2. No returns.
3. No service in regard to rotation, stocking, etc.
4. Pre-order of merchandise.

We will advise you shortly of the requirements of ordering and handling of milk products under this new program and of our arrangements with Borden's.

The Borden Company will soon hold a series of meetings to explain to you the coordination of deliveries and to evaluate your physical set-up. The new pre-order system and control guide will help you obtain a pattern in regard to your requirements. These things must be covered in order that you may sensibly pre-order merchandise from the above supplier for your store's needs.

Please give these people your utmost cooperation. We recommend that you fully explain these procedures to your Assistant Manager, Dairy Department Head, or someone responsible for the operation and the ordering of dairy products. The new aspects of this system should be thoroughly understood and followed by members of your organization.

We will advise you shortly in regard to items and procedures and other details.

ATTENTION STORE NO. _____TO: SUPERVISORS AND STORE MANAGERS

The new A & P private label milk delivery program has now been worked out, and deliveries to your stores will start on Monday _____. With this new program, we will be getting maximum benefits from the fast moving dairy items and it will be to our advantage for you to work with your supplier to handle this properly in order that we may all be successful in this venture.

Deliveries will be made on a limited service basis as follows:

- (a) Stores served on a three day per week basis will receive one delivery on Monday-Wednesday-Friday or Tuesday-Thursday-Saturday.
- (b) Stores served on a five or six day per week basis will receive one delivery per day.
- (c) Special deliveries shall not be made except the failure of Borden's to perform on the advance order.

Deliveries at the store level shall be handled in the following manner:

- (a) To the receiving door of the store.
- (b) To a designated place on the receiving platform.
- (c) To a refrigerated storage box that can be entered directly from a platform or ground level location and into which dairy products can be conveniently stocked.
- (d) If dairy products are delivered to a refrigerated storage box, adequate storage space shall be provided so that proper rotation of carry-over merchandise can be handled by store personnel.
- (e) Empty milk cases and bottles shall be placed at a designated point for easy accessibility and pick-up.

Ordering of Products

- (a) Pre-order forms will be furnished to you by The Borden Company.
- (b) This order must be completed and be available in the cooler at the time of the delivery for the driver to pick up.

Example: On three day delivery -- Monday delivery, pick up order for Wednesday. Wednesday delivery, pick up order for Friday. Friday delivery, pick up order for Monday, etc.

On the five or six day delivery schedule, the order again must be completed and available in the cooler for the following day's delivery.

Please follow instructions in order that we may have no inconvenience or unnecessary expense by orders not being available as outlined above.

In all cases, order changes will not be accepted since they can be adjusted on the following day's order.

We recommend you try, whenever possible, to order merchandise in even cases. This may not be possible in smaller volume stores.

As always in the use of your order form, you must take into consideration your meat feature, the week-end pay days, 15th and 1st of the month, holidays, individual store promotions on dairy features, and consult your past order forms and inventories.

All products are under a "no return" basis and the only exception will be for product defects. Please use care.

Codes

- (a) Products are clearly coded on the gable of the milk items and on the bottom of all bucket products.
- (b) All products are coded with an expiration date.
- (c) Code date expiration shall be explained to you at future meetings.
- (d) Please check code dates daily and rotate. There will be no services offered in regard to rotation and checking by the supplier. Do not make the customer unhappy by having old products in the case due to lack of attention to this operation.

For those stores who are presently on a three day drop delivery method, this should be nothing new for you. It might be well, however, to again review all of the procedures in the ordering and handling of dairy products.

We sincerely believe that this new milk program is another stride forward for our company and you will be able to achieve your ultimate sales goals and expectations.

Schedule No. 2 - Part 1
(Zone No. 3)

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.0000
Market Administrator's Fee	.0200
Shrinkage	.0043
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$4.2743
To 3.4% B.F. Finished Product	<u>.0700</u>
<u>Cost of 3.4% Finished Product</u>	<u>\$4.2043</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$4.2043 per cwt.	= \$.0904
Half Gallons 4.30 pounds X 4.2043 per cwt.	= .1808
Gallons 8.60 pounds X 4.2043 per cwt.	= .3616

Schedule No. 3 - Part 1.
(Zone No. 4)

FORMULA PRICE FOR RAW MILK

<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F. \$3.7800
Market Administrator's Fee .0200
Shrinkage .0041
Procurement, Bulk Tank Premiums, Association Fees, etc. .2500
Total Cost of 3.5% Raw Milk
F.O.B. Our Plant \$4.0541
To 3.4% B.F. Finished Product .0700
<u>Cost of 3.4% Finished Product \$3.9841</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds x \$3.9841 per cwt.	\$.0857
Half Gallons 4.30 pounds x 3.9841 per cwt.	\$.1713
Gallons 8.60 pounds x 3.9841 per cwt.	\$.3426

Schedule No. 4 - Part 1
(Zone No. 5)

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$ 3.8800
Market Administrator's Fee	.0200
Milk Foundation and City Health Inspectio::: Fee	.0200
Waste	.0040
Premiums	.1000
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$ 4.0240
To 3.4% B.F. Finished Product	<u>.0720</u>
Cost of 3.4% Finished Product	<u>\$ 3.9520</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds X \$3.9520	\$.0850
Half Gallons 4.30 pounds x 3.9520	\$.1699.
Gallons 8.60 pounds X3.9520	\$.3398

Schedule #1

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price - 3.5% B. F.	\$ 4.2900
Market Administrator's Fee	.0200
Shrinkage 1%	.0045
Procurement, Bulk Tank Premiums Association Fees, Inner Zone Premiums, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk F. O. B. Our Plant	\$ 4.5645
To 3.4% B. F. Finished Product	.0740
Cost of 3.4% Finished Product	\$ 4.4905
	<u>MILK COST BY ITEMS</u>
Quart	2.15 pounds x \$4.4905 per cwt. = \$.0966
Half Gallon	4.30 pounds x \$4.4905 per cwt. = .1931
Gallon	8.60 pounds x \$4.4905 per cwt. = .3862

Schedule No. 1 -- Part 1
(Zone No. 2)

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$4.3200
Market Administrator's Fee	.0200
Shrinkage	.0045
Procurement, Bulk Tank Premiums, Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	
P.O.B. Our Plant	\$4.5945
To 3.4% B.F. Finished Product	<u>.0700</u>
Cost of 3.4% Finished Product	<u>\$4.5245</u>
<u>MILK COST BY ITEMS</u>	
Quarts 2.15 pounds X \$4.5245 per cwt.	= \$0.0973
Half Gallons 4.30 pounds X 4.5245 per cwt.	= .1946
Gallons 8.60 pounds X 4.5245 per cwt.	= .3891

Schedule No. 2 - Part 1
(Zone No. 3)

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B. F.	\$4.0000
Market Administrator's Fee	.0200
Shrinkage	.0043
Procurement, Bulk Tank Premium, Association Fees, etc.	<u>.2500</u>
Total Cost of 3.5% Raw Milk	\$4.2743
E.O.B. Our Plant	.0700
To 3.4% B.F. Finished Product	<u>.0700</u>
Cost of 3.4% Finished Product	<u>\$4.2043</u>

MILK COSTS BY ITEMS

Cuarts 2.15 pounds X \$4.2043 per cwt.	\$.0904
Half Gallons 4.30 pounds X 4.2043 per cwt.	.1808
Gallons 8.60 pounds X 4.2043 per cwt.	.3616

Schedule No. 3 - Part 1.
(Zone No. 4)

FORMULA PRICE FOR RAW MILK

<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F. \$3.7800
Market Administrator's Fee .0200
Shrinkage .0041
Procurement, Bulk Tank Premiums, Association Fees, etc. .2500
Total Cost of 3.5% Raw Milk
F.O.B. Our Plant \$4.0541
To 3.4% B.F. Finished Product .0700
<u>Cost of 3.4% Finished Product \$3.9841</u>

MILK COSTS BY ITEMS

Quarts 2.15 pounds x \$3.9841 per cwt.	\$.0857
Half Gallons 4.30 pounds x 3.9841 per cwt.	\$.1713
Gallons 8.60 pounds x 3.9841 per cwt.	\$.3426

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Schedule No. 4 - Part 1
 (Zone No. 5)

FORMULA PRICE FOR RAW MILK

	<u>Per Hundred Pounds</u>
Producer Price 3.5% B.F.	\$ 3.8800
Market Administrator's Fee	.0200
Milk Foundation and City Health Inspector's Fee	.0200
Waste	.0040
Premiums	.1000
Total Cost of 3.5% Raw Milk	
F.O.B. Our Plant	\$ 4.0240
To 3.4% B.F. Finished Product	<u>.0720</u>
Cost of 3.4% Finished Product	<u>\$ 3.9520</u>
<hr/>	
<u>MILK COSTS BY ITEMS</u>	
Qua. x 2.15 pounds X \$3.9520	\$.0850
Gallons 4.30 pounds x 3.9520	.1699
Gallons 8.60 pounds x3.9520	.3398